

MEMORANDUM  
TO THE BOARD OF  
SUPERVISORS

(When preparing  
copies from this  
copy, the BOARD  
HALL is FILE)

**OUACHITA PARISH SCHOOL BOARD**

**SINGLE AUDIT REPORTING PACKAGE  
YEAR ENDED JUNE 30, 2008**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/28/09

**OUACHITA PARISH SCHOOL BOARD  
MONROE, LOUISIANA  
SINGLE AUDIT REPORTING PACKAGE  
JUNE 30, 2008**

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**OUACHITA PARISH SCHOOL BOARD  
MONROE, LOUISIANA  
SINGLE AUDIT REPORTING PACKAGE  
JUNE 30, 2008**

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# LUFFEY, HUFFMAN, RAGSDALE & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)  
CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITORS' REPORT

### **Ouachita Parish School Board Monroe, Louisiana**

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the **Ouachita Parish School Board** (the School Board) as of and for the year ended June 30, 2008, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, issued by the Louisiana Society of Certified Public Accountants and the Louisiana Legislative Auditor. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Ouachita Parish School Board, as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2008 on our consideration of the School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on

**Ouachita Parish School Board  
Independent Auditors' Report**

compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The "Management's Discussion and Analysis" presented on pages 5 through 19 and the "Budgetary Comparison Schedules" presented on pages 89 through 98 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Ouachita Parish School Board's basic financial statements. The Other Supplemental Information (including the Schedule of Expenditures of Federal Awards) as listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Other Supplemental Information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Luffey, Huffman, Royal, & Seigrist*

(A Professional Accounting Corporation)

**December 31, 2008**

**Ouachita Parish School Board  
Monroe, Louisiana**

**Fiscal Year Ended June 30, 2008**

**REQUIRED SUPPLEMENTAL INFORMATION  
(PART A)**

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**OUACHITA PARISH SCHOOL BOARD**  
**Management's Discussion and Analysis**  
**Fiscal Year Ended June 30, 2008**

Management's discussion and analysis of the Ouachita Parish School Board's financial performance provides an overall review of the School Board's financial activities for the fiscal year ended June 30, 2008. The intent of this discussion and analysis is to look at the School Board's financial performance as a whole. The reader should read this discussion in conjunction with the Notes to the Basic Financial Statements, and the financial statements, which are all included in this report, to enhance their understanding of the Ouachita Parish School Board's financial performance.



***Financial Highlights***

- Local ad valorem taxes in the General Fund increased by \$1,154,182 or 7.4 percent due to increased property assessments and new construction.
- Local sales tax revenues increased by \$2,005,365 or 5.72%.
- State Funding (Minimum Foundation Program – MFP) increased by \$14,514,975 from \$91,746,923 to \$106,261,898.
- Federal sources of revenue increased by \$155,765 or .91 percent.
- The General Fund reported a decrease for the year in fund balance of \$3,985,583 from \$21,282,789 to \$17,297,206. The fund balance at June 30, 2008 is 14.0% of General Fund expenditures.
- The East Ouachita Bond District sold \$20 million in general obligation bonds for new construction and renovations.
- The West Ouachita Bond District sold \$11,950,000 in revenue bonds for new construction and renovations.
- The “old” Claiborne School was sold for approximately \$1.6 million. The proceeds will be used for school renovations
- GASB 45 was implemented in 2007-08 resulting in an unfunded annual required contribution of \$20,305,488.



***Using this Comprehensive Annual Financial Report (CAFR)***

This CAFR consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Ouachita Parish School Board as a whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.



The Statement of Net Assets and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Also included in the financial statements are the Fund Financial Statements, which report on governmental activities of the School Board. These statements provide more detail than the Government-wide Financial Statements about the services that were financed in the short-term as well as what remains for future spending in the School Board's more significant funds as well as all other nonmajor funds. The General Fund is the Ouachita Parish School Board's most significant fund.



### ***Reporting the School Board as a Whole***

#### **Statement of Net Assets and the Statement of Activities**

The Statement of Net Assets and the Statement of Activities report information about the School Board as a whole and its activities to inform the reader of the School Board's financial performance during the 2008 fiscal year. In short, is the School Board better off financially or is it worse off financially than it was this time last year? These statements report all assets and liabilities of the School Board on the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting reports all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School Board's net assets and the change in those assets. This change in net assets is important because it tells the reader whether, for the School Board as a whole, the financial position of the School Board improved or declined. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors affecting the School Board include the parish's sales and property tax bases and the state and federal government's continued funding.

The Statement of Net Assets and the Statement of Activities report the governmental activities of the School Board. Most of the School Board's programs and services are reported here including instruction, support services, operating and maintenance of plant, student transportation, and feeding programs.



### ***Reporting the School Board's Most Significant Funds***

#### **Fund Financial Statements**

The analysis of the School Board's major funds begins on page 28. Fund Financial Statements provide detailed information about the School Board's major funds. The School Board uses many funds to account for a multitude of financial transactions.

However, these fund financial statements focus on the School Board's most significant funds. The School Board's major governmental funds are the General Fund, the District #1 Sales Tax Special Revenue Fund, and the East Ouachita 2008 Construction Capital Projects Fund.

The East Ouachita 2008 Construction Capital Projects Fund changed from a nonmajor fund in 2006-07 to a major fund in 2007-08. The change was due to the East Ouachita Bond District selling \$20 million in general obligation bonds for construction and renovations in the district.

### **Governmental Funds**

Most of the School Board's activities are reported as Governmental Funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The Governmental Funds' statements provide a detailed short-term view of the School Board's general government operations and the basic services it provides. Governmental Fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and Governmental Funds is reconciled in the financial statements.

### **Proprietary Funds**

The School Board is self-insured for workers' compensation and general liability insurance coverage, and maintains policies with large deductibles for property and fleet vehicle insurance. A summary of the School Board's insurance coverage at June 30, 2008, has been included in the Statistical Section on page 191. Transactions related to meeting the claims incurred in these areas are accounted for in the Internal Service Proprietary Fund. Expenses in the Internal Service Fund are recognized as claims are incurred. Liabilities are recognized for incurred but unpaid claims. The Internal Service Proprietary Fund transactions are reported on pages 38 through 41 in a separate section consisting of a Comparative Statement of Net Assets; a Comparative Statement of Revenues, Expenses, and Changes in Net Assets; and a Comparative Statement of Cash Flows.



*The School Board as Trustee*

### **Reporting the School Board's Fiduciary Responsibilities**

The School Board is the trustee, or fiduciary, for its student activity funds and the Migrant Education funds of certain other parishes. All of the School Board's fiduciary

activities are reported in a separate Comparative Statement of Fiduciary Assets and Liabilities on page 43. These activities have been excluded from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

### **The School Board as a Whole**

The School Board's net assets decreased by \$17.5 million, from \$134.7 million at June 30, 2007 to \$117.2 million at June 30, 2008. Of the \$117.2 million of net assets at June 30, 2008, \$15.5 million were restricted. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use those net assets for day-to-day operations. The following analysis focuses on the net assets (Table 1) and change in net assets (Table 2) of the School Board's governmental activities.

**Table 1**  
**Governmental Activities**  
**Net Assets**  
**June 30, 2008 and June 30, 2007**  
**(in Millions)**

|   | <u>June 30,</u> |                |
|---|-----------------|----------------|
|   | <u>2008</u>     | <u>2007</u>    |
| <b>Assets</b>                                   |                 |                |
| Current and other assets                        | \$105.3         | \$75.9         |
| Capital assets                                  | <u>191.2</u>    | <u>186.4</u>   |
| Total assets                                    | <u>296.5</u>    | <u>262.3</u>   |
| <b>Liabilities</b>                              |                 |                |
| Current and other liabilities                   | 23.2            | 20.8           |
| Long-term liabilities                           | <u>156.1</u>    | <u>106.8</u>   |
| Total liabilities                               | <u>179.3</u>    | <u>127.6</u>   |
| <b>Net assets</b>                               |                 |                |
| Invested in capital assets, net of related debt | 63.2            | 85.3           |
| Restricted                                      | 15.5            | 14.7           |
| Unrestricted                                    | <u>38.5</u>     | <u>34.7</u>    |
| Total net assets                                | <u>\$117.2</u>  | <u>\$134.7</u> |

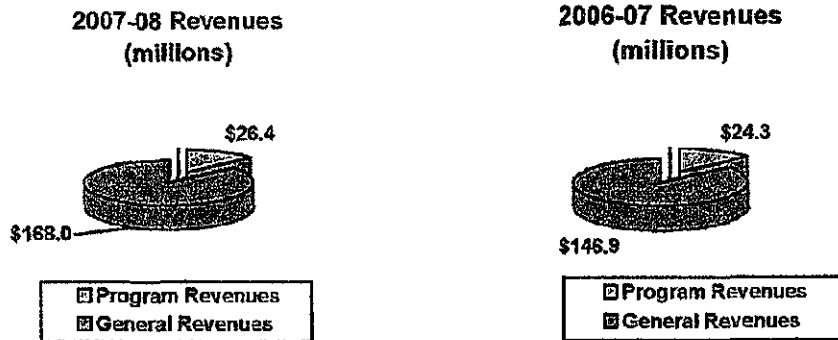
The balance of \$38.5 million in unrestricted assets represents the accumulated results of all past years' operations. In theory, it means that if we had to pay off all of our bills today including all of our noncapital liabilities (compensated absences for example) and sold all of our assets at their current value, we would have enough funds to pay off all of our debt and have \$38.5 million left.

The results of this year's operations for the School Board as a whole are reported in the Statement of Activities on page 25. Table 2 reports the information from the Statement of Activities in a different format so that total revenue for the year can be more easily identifiable.

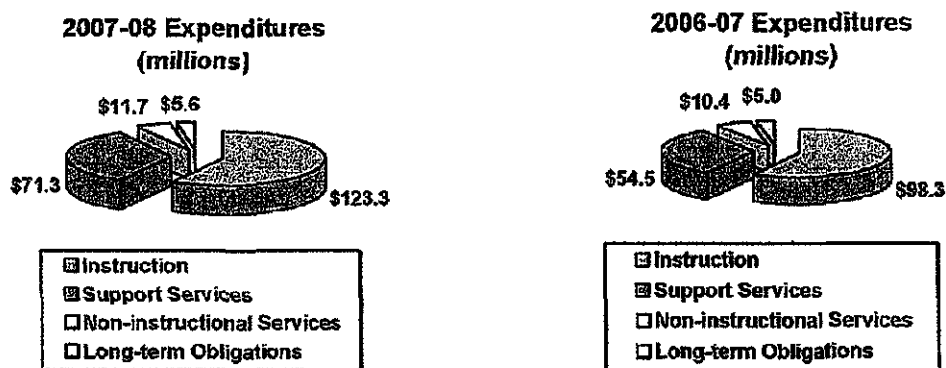
**Table 2**  
**Governmental Activities**  
**Changes in Net Assets**  
**Fiscal Years Ended June 30, 2008 and 2007**  
**(in millions)**

|   | <b>Year Ended<br/>June 30,</b> |              |
|---|--------------------------------|--------------|
|   | <b>2008</b>                    | <b>2007</b>  |
| <b>Revenues:</b>  |                                |              |
| Program revenues:   |                                |              |
| Charges for services                                      | \$2.0                          | \$2.1        |
| Local grants  | 1.1                            | .9           |
| State grants and entitlements                             | 5.9                            | 4.1          |
| Federal grants  | 17.4                           | 17.2         |
| General revenues:   |                                |              |
| Ad valorem taxes  | 16.9                           | 15.7         |
| Sales taxes   | 37.0                           | 35.1         |
| State Minimum Foundation Program                          | 106.3                          | 91.7         |
| Interest on investments                                   | 3.0                            | 3.0          |
| Other general revenues                                    | 3.6                            | 1.4          |
| Special item – gain on sale of “old” Claiborne Elementary | 1.2                            | -            |
| Total revenues  | <u>194.4</u>                   | <u>171.2</u> |
| <b>Functions/Program Expenses:</b>                        |                                |              |
| Instruction:  |                                |              |
| Regular programs  | 90.8                           | 72.5         |
| Special education programs                                | 22.9                           | 17.7         |
| Vocational programs                                       | 1.6                            | 1.3          |
| Other instructional programs                              | 2.0                            | 2.1          |
| Special programs  | 5.5                            | 4.2          |
| Adult/continuing education                                | .5                             | .5           |
| Support services:   |                                |              |
| Pupil support services                                    | 8.4                            | 5.6          |
| Instructional staff support services                      | 11.5                           | 7.9          |
| General administration                                    | 2.7                            | 1.9          |
| School administration                                     | 11.5                           | 9.4          |
| Business services   | 3.8                            | 2.3          |
| Plant services  | 19.1                           | 16.6         |
| Student transportation services                           | 10.9                           | 8.4          |
| Central services  | 3.4                            | 2.4          |
| Noninstructional services:                                |                                |              |
| Food services operations                                  | 11.5                           | 9.7          |
| Community services programs                               | .1                             | .1           |
| Facility acquisition and construction                     | .1                             | .6           |
| Long-term obligations:                                    |                                |              |
| Interest on long-term obligations                         | 5.6                            | 5.0          |
| Total expenses  | <u>211.9</u>                   | <u>168.2</u> |
| Increase (decrease) in net assets                         | <u>(\$17.5)</u>                | <u>\$3.0</u> |

Ouachita Parish School Board's 2007-08 revenues compared to 2006-07 revenues are presented below:



Ouachita Parish School Board's 2007-08 expenditures compared to 2006-07 expenditures are presented below:



### Governmental Activities

As reported in the Statement of Activities on page 25, net assets of the School Board decreased by \$17.5 million. The following factors helped contribute to this net decrease:

Major increases in 2007-08 revenues:

- Increase in ad valorem taxes - Ad valorem taxes in the parish have been increasing at a steady rate for the last several years. Property values in the parish have been increasing due to new construction and valuing previously constructed houses at current market value.
- Increase in sales tax collections - Sales tax collections increased at an average of 5.69 percent in 2007-08. The general economy of the parish continues to show a slow, steady growth resulting in increases in sales tax revenues. Part of the increase in sales tax collections was due to oil and gas drilling in the area.
- Change in MFP funding formula - The State Legislature made changes to the factors in the MFP funding formula and the state funded a \$2,375 instructional staff raise and a \$1,000 support employees raise resulting in \$14.6 million additional funding for general operations and for employee pay raises.

### Major changes in the cost of governmental activities

- Increase in operating expenses – General operating expenses, such as utilities and fuel continued to increase as a result of increased crude oil pricing.
- The School Board was required by GASB 45 to start accounting for other post employment benefits in our 2007-08 financial statements. This resulted in a liability of \$20.3 million that had not been previously required to be included in our financial statements. This liability was the main contributor to the School Board's net assets decreasing in 2007-08.

### Major changes in capital assets and debt

- Decrease in capital assets - Net capital assets decreased by approximately \$22.1 million due to increasing the debt related to capital assets by \$31.95 million in the East and West Ouachita Bond Districts. Net capital assets also decreased as the result of selling the "old" Claiborne Elementary School. Capital assets did increase some due to on-going construction projects by the School Board.
- Increase in outstanding bonded debt – Long-term outstanding bonded debt of the School Board had a net increase of \$27.7 million as the result of selling \$20 million of general obligation bonds and \$11.95 million of revenue bonds.

The cost of governmental activities exceeding restricted state and Federal grants and charges for services must be paid by the citizens of Ouachita Parish and unrestricted state grants. The following presentation shows the portion of governmental activities that must be paid by the citizens of Ouachita Parish and unrestricted state grants compared to the 2006-07 fiscal year.

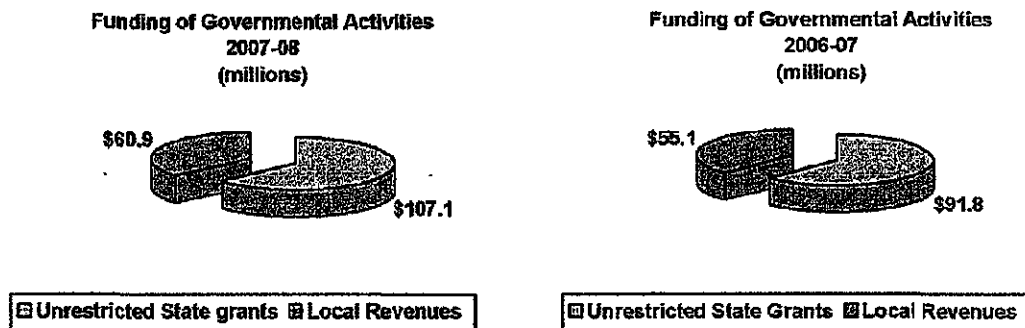


Table 3 presents the total cost of each of the School Board's five largest functions – regular programs, special education programs, instructional staff support services, plant services, and food service operations, as well as each program's net cost (total cost less revenues generated by the activities). Net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

**Table 3**  
**Year Ended June 30, 2008**  
**Governmental Activities**  
**(in millions)**  
**(With Comparative Totals For the Year Ended June 30, 2007)**

|                                      | Total Cost<br>of Services |                | Net Cost<br>of Services |                |
|--------------------------------------|---------------------------|----------------|-------------------------|----------------|
|                                      | 2008                      | 2007           | 2008                    | 2007           |
| Regular programs                     | \$90.8                    | \$72.5         | \$88.5                  | \$70.2         |
| Special education programs           | 22.9                      | 17.7           | 21.1                    | 15.6           |
| Instructional staff support services | 11.5                      | -              | 6.5                     | -              |
| School administration                | -                         | 9.4            | -                       | 9.3            |
| Plant services                       | 19.1                      | 16.6           | 18.5                    | 16.2           |
| Food service operations              | 11.5                      | 9.7            | 10.8                    | 2.7            |
| Subtotal                             | 155.8                     | 125.9          | 145.4                   | 114.0          |
| All others                           | 56.1                      | 42.3           | 40.0                    | 30.0           |
| Total                                | <u>\$211.9</u>            | <u>\$168.2</u> | <u>185.4</u>            | <u>\$144.0</u> |

#### **The School Board Funds**

The School Board uses funds to help it control and manage money for particular purposes. Accounting for money for particular purposes in different funds helps the reader to determine whether the School Board is being accountable for the resources taxpayers and others provide to it and it may also give the reader more insight into the School Board's overall financial health.

The School Board's governmental funds had a fund balance of \$79,500,784 at June 30, 2008, which is an increase of \$26,481,133 over the previous year's fund balance. The primary reasons for the change are:

**General Fund** – The General Fund, the principal operating fund of the School Board, decreased its fund balance by \$3,985,583 from \$21,282,789 at June 30, 2007 to \$17,297,206 at June 30, 2008. This represents a 18.7 percent decrease in fund balance. In 2005-06 the General Fund's fund balance reached 19 per cent of General Fund expenditures. The Board felt that the fund balance was excessive and has tried to reduce it over the last 2 years. In 2007-08 the Board adopted a formal policy that stated that the General Fund's fund balance should be maintained between 10 and 15 per cent of General Fund expenditures.

Revenue in the General Fund had a net increase of \$16,754,272. Ad valorem taxes and the state MFP funding were up \$837,547 and \$14,310,875, respectively. E-rate funding increased approximately \$235,000 from the previous year. Interest earnings decreased by \$185,013. The increase in ad valorem taxes was due to an increase in property assessment values and new construction. The MFP funding was up due to the State Legislature changing some of the factors in the formula

and funding a \$2,375 certified employee pay raise and a \$1,000 support employee pay raise. Interest earnings were down due to declining investment rates.

General Fund expenditures increased by \$19,598,542. Expenditures for salaries and related benefits, which consist of 86.2 percent of total General Fund expenditures, were the main reasons for the increase in expenditures. Salaries increased by \$12.9 million. The increase in salaries was due in part to the State's requirement that 50 percent of the new growth money in the MFP funding be used for instructional staff pay raises. The 50 percent growth money was approximately \$3.3 million in 2007-08. In addition to the MFP raise, as previously discussed, the State funded a \$2,375 and a \$1,000 salary increase for the instructional staff and for the support staff, respectively. The School Board increased its instructional staff by 70 and its support staff by 30, resulting in salaries increasing by approximately \$2.9 million. Related benefits increased by \$1.3 million as a result of the pay raises and increased staff. Fuel cost for buses and school vehicles increased by 35.9 per cent or \$195,907. Utilities increased by approximately 5 per cent or \$189,450. The General Fund increased its transfer to the Air Conditioning Redemption Special Revenue Fund from last year by \$550,000.

**District #1 Sales Tax Special Revenue Fund** – The fund balance of the District #1 Sales Tax Special Revenue Fund increased by \$188,042. The fund balance increased from \$14,638,199 at June 30, 2007 to \$14,826,241 at June 30, 2008. In 2007-08 sales tax collections increased by \$294,139 or 5.1 percent as compared to a 2.1 percent increase in 2006-07. Earnings on investments decreased by \$112,645 or 17.2 percent as interest rates declined substantially in 2007-08. Expenditures in the fund increased by \$1,059,566. Salaries increased by \$283,640 due to increasing the staff at the alternative school and pay raises authorized by the state. District #1 Sales Tax Fund's technology expenditures increased by \$391,642. The additional funds were used to upgrade the school libraries' software and to update aging computer labs. Maintenance expenditures increased by \$334,140 due to our maintenance department renovating several offices.

**Nonmajor Governmental Funds** – The nonmajor Other Governmental Funds had a net increase in their fund balances of \$11,137,402. The increase in the fund balances is due to the Special Revenue Funds and the Capital Projects Fund increasing their fund balances by a net of \$2,224,942 and \$7,996,902, respectively. The increase in fund balance in the Special Revenue Funds was due mainly to the West Ouachita Sales Tax Fund which increased its fund balance by \$2,220,803. This fund is used for paying the principal and interest of the revenue bonds and paying for construction projects. The Board felt the fund balance in the account was low and that it needed to be increased to ensure that adequate funds were available to meet the bond requirements. Therefore, a minimal amount of renovations were funded from this fund in 2007-08 to build the fund balance up. The Air Conditioning Redemption Special Revenue Fund had an increase in its fund balance of \$911,793 as the result of a \$1 million transfer from



the General Fund to fund the account. The other nonmajor Special Revenue Funds had small changes in their fund balances. The reason for the large increase in fund balance in the Capital Project Funds was due to the sale of \$11.95 million revenue bonds in the West Ouachita Bond District and the sale of the "old" Claiborne Elementary School for \$1.6 million. The bond proceeds and the proceeds from the sale of the school will be used to renovate schools in the bond district.

### **General Fund Budgetary Highlights**

The School Board, in accordance with state law, must adopt a budget on the General Fund and all Special Revenue Funds by September 15. In accordance with state law the School Board may have variances of 5 percent of total revenues or expenditures in a fund before it is legally required to amend the budget. The School Board adopted its 2007-08 original budget on September 11, 2007, and revised the budget on June 3, 2008. The original estimated General Fund revenues increased by 1.5% or \$1.9 million from \$120,530,033 to \$122,384,658. The major change in budgeted revenue was an increase in state funding (MFP) of \$1.4 million and an increase in e-rate funding of \$126,500.

The original estimated charges to appropriations increased from the original budget to the final budget by \$6.5 million or 5.2%. Salaries and related benefits were the main reason for the increase in expenditures. Salaries and related benefits increased by \$3,444,808 from \$107,071,793 to \$110,516,601. Salaries increased by \$1,926,420 because of increased staffing levels to instruct the additional students and to lower pupil teacher ratios. Related benefits increased by \$1,518,338. The increase is the result of the additional employees previously discussed participating in the health care program and the cost of their retirement benefits.



### **Capital Assets and Debt Administration**

#### **Capital Assets**

Capital Assets of the School Board used in performance of general School Board functions are recorded in the Fund Financial Statements as expenditures when purchased. The amount represents the original cost of the assets. Depreciation of capital assets is not recognized in the Fund Financial Statements, as explained in the Notes to the Basic Financial Statements. In the Government-wide Financial Statements the capital assets are recorded as assets at their original cost at the time of purchase or their fair market value, if donated. Depreciation of capital assets has been recognized in the Government-wide Financial Statements.

At June 30, 2008, as reported on the Statement of Net Assets, the School Board had \$191.2 million invested in land, buildings and improvements, furniture and equipment, and construction in progress, net of depreciation. Net capital assets increased by \$4.8 million or 2.6 percent during the current fiscal year. Net assets were increasing on an

average of \$25 million per year from the year 2000 until about 2005 when construction slowed down and net assets started increasing by approximately \$1 million per year. In 2007-08 construction started again as the result of selling \$20 million of general obligation bonds and \$11.95 million of revenue bonds. Renovation projects were the main reason for the \$4.8 million increase in capital assets. For more detail of capital assets, see Note 8 of the Notes to the Basic Financial Statements. Table 4 presents capital assets net of depreciation at June 30, 2008.

**Table 4**  
**Capital Assets at Year-end**  
**Net of Depreciation**  
**Governmental Activities**  
**(With Comparative Totals at June 30, 2007)**

|                                      | <u>June 30,</u>      |                      |
|--------------------------------------|----------------------|----------------------|
|                                      | <u>2008</u>          | <u>2007</u>          |
| Land                                 | \$6,059,839          | \$6,262,699          |
| Buildings and improvements           | 166,355,712          | 164,268,708          |
| Furniture and equipment              | 13,001,564           | 10,639,828           |
| Construction in progress – buildings | <u>5,826,932</u>     | <u>5,262,469</u>     |
| Total                                | <u>\$191,244,047</u> | <u>\$186,433,704</u> |

#### **Debt**

At June 30, 2008, the School Board had \$128,021,725 in bonds and limited tax certificates of indebtedness outstanding, net of deferred amount of refunding and unamortized bond discount. Of the \$128,021,725 bonds and limited tax certificates of indebtedness outstanding, \$5,967,947 are due within one year. Table 5 summarizes bonds and limited tax certificates of indebtedness outstanding at June 30, 2008.

**Table 5**  
**Outstanding Debt**  
**June 30, 2008 and 2007**  
**Governmental Activities**

|   | June 30,             |                      |
|---|----------------------|----------------------|
|   | 2008                 | 2007                 |
| General obligation bonds:   |                      |                      |
| 1999 East Ouachita – School improvements                            | \$925,000            | \$1,805,000          |
| 2000 East Ouachita – School improvements                            | 935,000              | 1,365,000            |
| 2005 East Ouachita – School improvements<br>(refinanced 2000 bonds) | 12,305,000           | 12,390,000           |
| 2006 East Ouachita – School improvements<br>(refinanced 1999 bonds) | 21,600,000           | 21,675,000           |
| 2007 East Ouachita – School improvements                            | 9,755,000            | -                    |
| 2008 East Ouachita – School improvements                            | 10,000,000           | -                    |
| Less deferred amount of refunding                                   | (308,692)            | (534,291)            |
| Unamortized bond discount   | (28,326)             | (56,654)             |
| Revenue bonds:  |                      |                      |
| 1998 West Ouachita – School improvements                            | 19,365,000           | 20,125,000           |
| 1999 West Ouachita – School improvements                            | 15,540,000           | 16,215,000           |
| 2000 West Ouachita – School improvements                            | 885,000              | 1,150,000            |
| 2001 West Ouachita – School improvements                            | 6,675,000            | 6,890,000            |
| 2002 West Ouachita – School improvements                            | 2,735,000            | 2,785,000            |
| 2006 West Ouachita – School improvements<br>(refinanced 2000 bonds) | 8,210,000            | 8,260,000            |
| 2007 West Ouachita – School improvements                            | 11,950,000           | -                    |
| Less deferred amount of refunding                                   | (225,588)            | (338,381)            |
| Unamortized bond discount   | (669)                | (1,004)              |
| Limited tax certificates of indebtedness:                           |                      |                      |
| 2002 West Ouachita – School improvements                            | 3,205,000            | 3,915,000            |
| 2003 West Ouachita – School improvements                            | 4,500,000            | 5,490,000            |
| Total   | <u>\$128,021,725</u> | <u>\$101,134,670</u> |

The proceeds of \$20 million of the 2007 and 2008 East Ouachita Bond District general obligation bonds will be used to construct 2 middle schools and an agriculture/vocational center and to make renovations to the 10 schools in the district.

The proceeds of the West Ouachita Bond District 2007 revenue bonds of \$11.95 million will be used to construct an agriculture/vocational center and to make renovations to the other schools in the district.

The state limits the amount of general obligation debt that school boards can issue to 35 percent of the assessed value of all taxable property within the school board's corporate limits. At June 30, 2008, East Ouachita Bond District's maximum legal debt limit was \$71,076,429. The District's outstanding general obligation bonded debt of \$55,520,000 is below the maximum debt limit.

The bond issues are rated as follows:

|  | <b>Standard &amp; Poor's<br/>Rating Service</b> |
|--|---|
| <b>General Obligation Bonds:</b>       |   |
| East Ouachita Bond - 1999              | A-  |
| East Ouachita Bond - 2000              | A-  |
| East Ouachita Bond - 2005 (Refinanced) | A-  |
| East Ouachita Bond - 2006 (Refinanced) | A-  |
| East Ouachita Bond - 2007              | A-  |
| East Ouachita Bond - 2008              | A-  |
| <b>Revenue Bonds:</b>                  |   |
| West Ouachita Bond - 1998              | A   |
| West Ouachita Bond - 1999              | A   |
| West Ouachita Bond - 2000              | A   |
| West Ouachita Bond - 2001              | A   |
| West Ouachita Bond - 2002              | A   |
| West Ouachita Bond - 2006 (Refinanced) | A   |
| West Ouachita Bond - 2007              | A   |

Other long-term obligations of the School Board include accrued vacation pay and sick leave. We present more detailed information about our long-term obligations in Notes 1.N. and 13 to the Basic Financial Statements.



**For the Future**

The Ouachita Parish School Board is strong financially. Even though our net assets decreased by \$6.3 million as a result of recording the OPEB liability, we feel that we will be able to meet the future financial needs of the system. We are anticipating that our funding from state and local sources will continue to increase some in 2008-09. Our MFP funding will increase in 2008-09 as a result of the Legislature increasing two of the funding factors in the MFP formula and funding a pay raise for the instructional staff and funding a one-time salary supplement for the support staff. At present, the Legislature feels that it can continue to provide the MFP funding at the present level. We also expect an increase in the current year ad valorem tax collections as this is a re-assessment year. Property values have been increasing by approximately 7 percent over the last few years. We anticipate that the ad valorem will increase a minimum of 7 percent in 2008-09. Our Federal grants decreased almost \$2 million dollars two years ago. In 2007-08 they increased and based on grant approvals to date, we anticipate our Federal grants to increase again in 2008-09. Of concern in 2008-09 are the investment rates and our sales tax revenues. We are anticipating interest rates to stay low throughout the year. We are watching our sales tax revenues closely to see how they will be affected by the economy. We are not anticipating any growth in our sales tax revenues as has been the case in previous years. We are budgeting sales tax revenues to stay at the current level in 2008-

09 as in 2007-08. With the closing of the General Motors, Delphi Interior and Lighting plant in January 2006 and State Farm in 2005, community leaders have been seeking other businesses to replace General Motors and State Farm. Accent Marketing, a calling center, has recently moved in the State Farm building creating up to 550 new jobs. Community leaders recently announced that a local investor had purchased the General Motors building.

We do not anticipate any large or unusual expenditures to occur in the 2008-09 fiscal year. We anticipate our largest expenditure increases will be for fuel and utilities. However, these two areas only represent 3 to 4 percent of our General Fund budget. We are trying to keep our instructional staff at the same level as in 2007-08. Salaries and benefits will increase substantially in 2008-09 due to the instructional raise and the support salary supplement. However, the state is funding the pay increases. Health care costs, which have been increasing by approximately 10 percent the last 8 years, has leveled off and we are only anticipating a three to four percent increase in 2008-09. These are the only large expenditure items that management is aware of that will increase significantly in the foreseeable future.

The Legislature mandates that 50 percent of "new growth" money in the Minimum Foundation Program (MFP) funding formula shall be used for teacher pay raises provided the district's average teacher's salary is below the southern regional average teacher's salary. In 2007-08 our average teacher salary was above the southern regional average teacher salary; therefore, the School Board was not required to give the MFP "new growth" money raise in 2008-09. The School Board felt the district was financially sound enough, and it granted the MFP "new growth" money raise in 2008-09 to all employees of the school system. In addition to the raise through the "new growth" money in the MFP, the State authorized a \$1,019 instructional staff raise, effective July 1, 2008 and a \$1,000 one-time support pay supplement.

The General Fund's fund balance at June 30, 2008, was \$17.3 million or 13.6 percent of 2007-08 expenditures. The School Board would like to keep the fund balance between 10 percent and 15 percent of General Fund revenue. The Board has been reducing the fund balance the last two years to get it back within this range. Now that the General Fund balance is within the Board's recommended range, the Board plans to keep the fund balance within that range.

The School Board has been constructing new schools and remodeling existing schools for the last eight years from bond proceeds in the East Ouachita Bond District and the West Ouachita Bond District. The bond proceeds received in the late 1990s in both Districts have now been depleted. In July 2007, the East Ouachita Bond District received approval from the citizens of the District to sell \$29,785,000 of General Obligation Bonds to be repaid by an ad valorem tax. The District at year end had issued \$20 million of the authorized \$29.785 million general obligation bonds. In December 2008, the East Ouachita Bond District sold the remaining \$9.785 million general obligation bonds at an interest rate of 4.67 percents.

The West Ouachita Bond District uses a sales tax to fund its construction projects. Since the depletion of the bond proceeds in the District, the School Board has been funding the construction projects on a pay-as-you-go basis. In 2007-08, the School Board decided to change its policy for funding construction projects in the West Ouachita Bond District. The School Board decided to go from a pay-as-you-go basis to selling bonds to pay the construction costs. The School Board changed philosophy because it did not feel that the construction projects were being completed fast enough on a pay-as-you basis to meet current needs. In October 2007, the School Board sold \$11,950,000 of West Ouachita Bond District revenue bonds and it sold another \$5 million in October 2008.

As discussed previously, the Ouachita Parish School Board has been building and or remodeling all of its schools during the last eight years. When this project is complete, we will have some of the best facilities in the state to educate our children; thus, aiding in the reduction of overcrowding in our schools. We feel that a good learning environment is crucial to helping students reach their educational potential. Overall, we feel that the future of Ouachita Parish School Board is good financially, as well as educationally.



#### **Contacting the School Board's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or need additional financial information contact Richie Garrett, Business Manager of Ouachita Parish School Board, P.O. Box 1642, Monroe, LA 71210-1642 or call at (318) 388-2711 or E-mail to [garrett@opsb.net](mailto:garrett@opsb.net).



**COMMITTED**  
*to Academic Excellence  
for ALL Students!*

*Our Mission:  
Through collaboration  
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Ouachita Parish School System  
will ensure that all students attain  
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to be productive citizens.*

**Ouachita Parish School Board  
Monroe, Louisiana**

**Fiscal Year Ended June 30, 2008**

**BASIC FINANCIAL STATEMENTS**





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**Ouachita Parish School Board  
Monroe, Louisiana**

**Fiscal Year Ended June 30, 2008**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

**Ouachita Parish School Board  
Monroe, Louisiana**

**Statement of Net Assets  
Governmental Activities**

**June 30, 2008**

**Assets:**

|                                      |                           |
|--------------------------------------|---------------------------|
| Cash and cash equivalents (Note 4)   | \$ 31,716,202             |
| Investments (Note 5)                 | 61,483,497                |
| Receivables (Note 7):                |                           |
| Ad valorem taxes                     | 340,756                   |
| Sales and use taxes                  | 6,121,533                 |
| Federal grants                       | 2,573,970                 |
| Other                                | 2,149,081                 |
| Prepaid items (Note 1.H.)            | 8,574                     |
| Inventory (Note 1.H.)                | 301,023                   |
| Bond issuance costs, net (Note 1.I.) | 598,637                   |
| Capital assets, net (Note 8):        |                           |
| Land                                 | 6,059,839                 |
| Buildings and improvements           | 166,355,712               |
| Furniture and equipment              | 13,001,564                |
| Construction in progress             | 5,826,932                 |
| <b>Total assets</b>                  | <b><u>296,537,320</u></b> |

**Liabilities:**

|   |                           |
|---|---------------------------|
| Accounts payable                            | 1,630,702                 |
| Salaries and wages payable                  | 19,401,702                |
| Unearned revenues                           | 213,371                   |
| Due to other governments                    | 11,205                    |
| Interest payable - bonds                    | 1,946,406                 |
| Other liabilities                           | 11,585                    |
| Long-term liabilities:                      |                           |
| Due within one year (Note 13)               | 6,798,267                 |
| Due in more than one year (Notes 10 and 13) | 149,322,807               |
| <b>Total liabilities</b>                    | <b><u>179,336,045</u></b> |

**Net assets:**

|   |                              |
|---|------------------------------|
| Invested in capital assets, net of related debt | 63,222,322                   |
| Restricted for:                                 |                              |
| Debt service                                    | 9,867,499                    |
| Salaries and related benefits                   | 6,248,928                    |
| Protested taxes                                 | 355,450                      |
| Unrestricted                                    | 38,517,076                   |
| <b>Total net assets</b>                         | <b><u>\$ 117,201,275</u></b> |

See accompanying notes to the basic financial statements.

Ouachita Parish School Board  
Monroe, Louisiana

Statement of Activities  
Governmental Activities

Fiscal Year Ended June 30, 2008

|  | EXPENSES              | PROGRAM REVENUES        |  |  | NET (EXPENSE)<br>REVENUE AND<br>CHANGES IN<br>NET ASSETS |
|--|-----------------------|-------------------------|--|--|--|
|  |                       | CHARGES FOR<br>SERVICES | OPERATING<br>GRANTS AND<br>CONTRIBUTIONS | CAPITAL<br>GRANTS AND<br>CONTRIBUTIONS |  |
| <b>Functions/programs:</b>   |                       |                         |  |  |  |
| <b>Instructional services:</b>   |                       |                         |  |  |  |
| Regular programs   | \$ 90,818,902         | \$ -                    | \$ 2,183,969                             | \$ 171,666                             | \$ (88,451,267)  |
| Special education programs   | 22,889,940            | -                       | 1,796,533                                | 33,947                                 | (21,059,460)   |
| Vocational programs  | 1,634,666             | -                       | 126,068                                  | 101,368                                | (1,407,230)  |
| Other instructional programs   | 2,037,559             | 185,820                 | 819,135                                  | -                                      | (1,052,604)  |
| Special programs   | 5,510,734             | -                       | 4,707,166                                | 87,620                                 | (715,948)  |
| Adult/continuing education   | 568,706               | -                       | 488,026                                  | -                                      | (80,680)   |
| <b>Support services:</b>   |                       |                         |  |  |  |
| Pupil support services   | 8,367,785             | -                       | 1,638,802                                | 57,788                                 | (6,671,195)  |
| Instructional staff support services                                     | 11,533,139            | -                       | 4,594,637                                | 405,161                                | (6,533,341)  |
| General administration   | 2,876,345             | -                       | 49,852                                   | -                                      | (2,626,493)  |
| School administration  | 11,523,090            | -                       | 107,514                                  | -                                      | (11,415,576)   |
| Business services  | 3,808,232             | -                       | 728,979                                  | -                                      | (3,077,253)  |
| Plant services   | 19,078,319            | -                       | 542,571                                  | 31,411                                 | (18,504,337)   |
| Student transportation services  | 10,862,698            | -                       | 128,983                                  | -                                      | (10,733,615)   |
| Central services   | 3,293,543             | -                       | 234,817                                  | -                                      | (3,058,726)  |
| <b>Noninstructional services:</b>  |                       |                         |  |  |  |
| Food service operations  | 11,523,328            | 1,872,126               | 5,270,885                                | -                                      | (4,380,317)  |
| Community service programs   | 63,182                | -                       | 47,076                                   | -                                      | (16,106)   |
| Facility acquisition and construction                                    | 94,411                | -                       | (19,103)                                 | 85,146                                 | (28,368)   |
| <b>Long-term obligations:</b>  |                       |                         |  |  |  |
| Interest on long-term obligations  | 5,614,136             | -                       | -  | -                                      | (5,614,136)  |
| Technical services   | 7,817                 | -                       | -  | -                                      | (7,817)  |
| Legal services   | 3,665                 | -                       | -  | -                                      | (3,665)  |
| <b>Total Governmental Activities</b>                                     | <b>\$ 211,908,097</b> | <b>\$ 2,037,946</b>     | <b>\$ 23,445,910</b>                     | <b>\$ 874,107</b>                      | <b>(185,448,134)</b>                                     |
| <b>General revenues:</b>   |                       |                         |  |  |  |
| <b>Taxes:</b>  |                       |                         |  |  |  |
| Ad valorem taxes levied for:   |                       |                         |  |  |  |
| General purposes   |                       |                         |  |  | 12,413,862   |
| Debt service purposes  |                       |                         |  |  | 4,439,488  |
| Sales taxes levied for:  |                       |                         |  |  |  |
| General purposes   |                       |                         |  |  | 15,936,783   |
| Salaries and related benefits  |                       |                         |  |  | 21,115,810   |
| <b>Grants and contributions not<br/>restricted to specific programs:</b> |                       |                         |  |  |  |
| Minimum Foundation Program   |                       |                         |  |  | 106,261,898  |
| State revenue sharing  |                       |                         |  |  | 824,137  |
| Interest and investment earnings   |                       |                         |  |  | 2,974,860  |
| Other  |                       |                         |  |  | 2,819,231  |
| Special item - gain on sale of "old" Claiborne Elementary                |                       |                         |  |  | 1,201,881  |
| <b>Total general revenues</b>  |                       |                         |  |  | <b>167,987,950</b>                                       |
| <b>Changes in net assets</b>   |                       |                         |  |  | <b>(17,460,184)</b>                                      |
| <b>Net assets at beginning of year</b>                                   |                       |                         |  |  | <b>134,661,459</b>                                       |
| <b>Net assets at end of year</b>   |                       |                         |  |  | <b>\$ 117,201,275</b>                                    |

See accompanying notes to the basic financial statements.



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for ALL Students!*

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Through collaboration  
among all stakeholders, the  
Ouachita Parish School System  
will ensure that all students attain  
the knowledge and skills needed  
to be productive citizens.*

**Ourachita Parish School Board  
Monroe, Louisiana**

**Fiscal Year Ended June 30, 2008**

**FUND FINANCIAL STATEMENTS (FFS)**

Ourachita Parish School Board  
Monroe, Louisiana

GOVERNMENTAL FUNDS  
BALANCE SHEET

June 30, 2008

(With Comparative Totals For June 30, 2007)

|  | GENERAL<br>FUND      | SPECIAL<br>REVENUE<br>FUND -<br>DISTRICT<br>#1<br>SALES TAX | CAPITAL<br>PROJECTS<br>FUND -<br>EAST<br>OUACHITA 2008<br>CONSTRUCTION | OTHER<br>GOVERNMENTAL | TOTAL                 |                      |
|--|----------------------|---|--|-----------------------|-----------------------|----------------------|
|  |                      |   |  |                       | 2008                  | 2007                 |
| <b>Assets:</b>   |                      |   |  |                       |                       |                      |
| Cash and cash equivalents (Note 4)                             | \$ 13,689,024        | \$ 734,342  | \$ 803,648   | \$ 13,918,253         | \$ 29,145,267         | \$ 28,825,252        |
| Investments (Note 5)   | 15,889,242           | 13,500,651  | 18,153,524   | 12,818,097            | 60,361,514            | 34,246,820           |
| Receivables (Note 7):  |                      |   |  |                       |                       |                      |
| Ad valorem taxes   | 307,594              | -   | -  | 33,162                | 340,756               | 125,648              |
| Sales and use taxes  | -                    | 1,028,785   | -  | 5,094,748             | 6,123,533             | 8,145,692            |
| Federal grants   | 46,673               | -   | -  | 2,527,397             | 2,574,070             | 2,917,604            |
| Other  | 40,233               | -   | 13,875   | 2,062,604             | 2,116,712             | 932,048              |
| Due from other funds (Note 14)                                 | 3,286,891            | -   | -  | -                     | 3,286,891             | 2,205,776            |
| Inventory (Note 1.H.)  | -                    | -   | -  | 301,023               | 301,023               | 199,809              |
| Prepaid items (Note 1.H.)                                      | -                    | -   | -  | 8,574                 | 8,574                 | 3,907                |
| <b>Total assets</b>  | <b>\$ 33,059,557</b> | <b>\$ 15,261,778</b>  | <b>\$ 18,971,047</b>   | <b>\$ 36,763,858</b>  | <b>\$ 104,056,240</b> | <b>\$ 73,602,654</b> |
| <b>Liabilities and fund balances</b>                           |                      |   |  |                       |                       |                      |
| <b>Liabilities:</b>  |                      |   |  |                       |                       |                      |
| Accounts payable   | \$ 298,639           | \$ 61,577   | \$ 335,415   | \$ 935,071            | \$ 1,630,702          | \$ 577,292           |
| Salaries and wages payable                                     | 15,448,716           | 373,960   | -  | 3,579,026             | 19,401,702            | 17,437,010           |
| Unearned revenues  | -                    | -   | -  | 213,371               | 213,371               | 351,825              |
| Due to other governments                                       | 11,205               | -   | -  | -                     | 11,205                | 11,205               |
| Other liabilities  | 3,791                | -   | -  | 7,794                 | 11,585                | 95                   |
| Due to other funds (Note 14)                                   | -                    | -   | -  | 3,286,891             | 3,286,891             | 2,205,776            |
| <b>Total liabilities</b>                                       | <b>15,762,351</b>    | <b>435,537</b>  | <b>335,415</b>   | <b>8,022,153</b>      | <b>24,556,486</b>     | <b>20,583,003</b>    |
| <b>Fund balances:</b>  |                      |   |  |                       |                       |                      |
| Reserved for encumbrances                                      | 19,965               | -   | -  | -                     | 19,965                | 391,564              |
| Reserved for debt service                                      | -                    | -   | -  | 9,857,499             | 9,857,499             | 8,941,941            |
| Reserved for capital projects                                  | -                    | -   | 18,635,632   | 7,998,902             | 26,634,534            | -                    |
| Reserved for inventory   | -                    | -   | -  | 126,058               | 126,058               | 86,375               |
| Reserved for salaries and related benefits                     | -                    | -   | -  | 5,248,928             | 5,248,928             | 5,394,708            |
| Reserved for protested taxes                                   | 250,313              | -   | -  | 105,137               | 355,450               | 355,450              |
| <b>Unreserved:</b>   |                      |   |  |                       |                       |                      |
| Designated reported in Special Revenue Funds:                  |                      |   |  |                       |                       |                      |
| Designated for instructional costs                             | -                    | 5,337,446   | -  | -                     | 5,337,446             | 3,541,308            |
| Designated for capital improvements and facilities acquisition | -                    | 5,633,972   | -  | -                     | 5,633,972             | 1,152,993            |
| Designated for mandated costs                                  | -                    | 2,075,674   | -  | -                     | 2,075,674             | 5,373,246            |
| Designated for restoration of salary reductions                | -                    | 1,779,149   | -  | -                     | 1,779,149             | 4,557,603            |
| Designated for maintenance and operation                       | -                    | -   | -  | -                     | -                     | 13,049               |
| <b>Unreserved/undesignated reported in:</b>                    |                      |   |  |                       |                       |                      |
| General Fund   | 17,026,928           | -   | -  | -                     | 17,026,928            | 20,640,912           |
| Special Revenue Funds  | -                    | -   | -  | 5,407,181             | 5,407,181             | 2,570,502            |
| <b>Total fund balances</b>                                     | <b>17,247,206</b>    | <b>14,826,241</b>   | <b>18,635,632</b>  | <b>28,741,705</b>     | <b>79,500,784</b>     | <b>53,019,651</b>    |
| <b>Total liabilities and fund balances</b>                     | <b>\$ 33,059,557</b> | <b>\$ 15,261,778</b>  | <b>\$ 18,971,047</b>   | <b>\$ 36,763,858</b>  | <b>\$ 104,056,240</b> | <b>\$ 73,602,654</b> |

See accompanying notes to the basic financial statements.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'  
Balance Sheet to the Statement of Net Assets  
June 30, 2008**

|  |              |
|--|--------------|
| Total fund balances – governmental funds | \$79,500,784 |
|--|--------------|

The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in Governmental Funds. The Statement of Net Assets includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as Governmental Activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in the Governmental Funds.

|                          |               |             |
|--------------------------|---------------|-------------|
| Cost of capital assets   | \$295,500,728 |             |
| Accumulated depreciation | (104,256,681) | 191,244,047 |

The costs associated with issuing bonds are reported as expenditures in the Governmental Funds. The issuance costs are not considered financial resources in the Statement of Net Assets; therefore, the costs are reported on the Statement of Net Assets as an asset net of accumulated amortization.

|                          |           |         |
|--------------------------|-----------|---------|
| Bond issuance cost       | 1,345,343 |         |
| Accumulated amortization | (746,706) | 598,637 |

Elimination of interfund assets and liabilities.

|                       |             |   |
|-----------------------|-------------|---|
| Interfund assets      | (3,286,891) |   |
| Interfund liabilities | 3,286,891   | - |

|   |             |
|---|-------------|
| See accompanying notes to the basic financial statements. | (continued) |
|---|-------------|



**Ouachita Parish School Board  
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'  
Balance Sheet to the Statement of Net Assets (continued)  
June 30, 2008**

Long term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities – both current and long term – are reported in the Statement of Net Assets.

Retainages due the in the 2008-09 fiscal year on construction projects are not reported in the Governmental Funds. Retainages have been reported as a liability in the Statement of Net Assets. Post-employment benefits in the Governmental Funds are recorded as an expenditure when paid. The unfunded annual required contribution in the Statement of Net Assets is recognized as a liability as it accrues.

Balances at June 30, 2008 are:

Long-term liabilities:

|  |                     |                 |
|--|---------------------|-----------------|
| Compensated absences payable               | (\$6,223,512)       |                 |
| General obligation bonds payable           | (55,520,000)        |                 |
| Deferred amount on refunding – GO bonds    | 308,692             |                 |
| Bond discount on refunding – GO bonds      | 28,326              |                 |
| Revenue bonds payable                      | (65,360,000)        |                 |
| Deferred amount on refunding – Rev. bonds  | 225,588             |                 |
| Bond discount on refunding – Rev. bonds    | 669                 |                 |
| Tax liability certificates of indebtedness | (7,705,000)         |                 |
| Bond premium                               | (23,977)            |                 |
| Retainages payable                         | (241,341)           |                 |
| Other post employment benefits             | <u>(20,305,488)</u> | (\$154,816,043) |

See accompanying notes to the basic financial statements.

(continued)

**Ouachita Parish School Board  
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'  
Balance Sheet to the Statement of Net Assets (continued)  
June 30, 2008**

The School Board self-insures for general liability and workers' compensation. Funds to meet these liabilities are deposited in an Internal Service Fund. The Internal Service Fund is not reported with the Governmental Funds. The Internal Service Fund is reported in the Statement of Net Assets. The Internal Service Fund's net assets at June 30, 2008, are as follows:

|                           |                    |             |
|---------------------------|--------------------|-------------|
| Cash and cash equivalents | \$2,570,935        |             |
| Investments               | 1,321,983          |             |
| Accounts receivable       | 32,369             |             |
| Claims liability          | <u>(1,305,031)</u> | \$2,620,256 |

Interest on outstanding bonds in the Governmental Funds is recorded as an expenditure when paid. Bond interest in the Statement of Net Assets is recognized as an expense as it accrues.

|                                       |                             |
|---------------------------------------|-----------------------------|
| Accrued interest on outstanding bonds | <u>(1,946,406)</u>          |
| <b>Net Assets</b>                     | <b><u>\$117,201,275</u></b> |

See accompanying notes to the basic financial statements.

(concluded)

Ouachita Parish School Board  
Monroe, Louisiana

GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES

Fiscal Year Ended June 30, 2008

(With Comparative Totals For Fiscal Year Ended June 30, 2007)

|  | GENERAL<br>FUND | SPECIAL<br>REVENUE<br>FUND -<br>DISTRICT<br>#1<br>SALES TAX | CAPITAL<br>PROJECTS<br>FUND -<br>EAST<br>OUACHITA 2008<br>CONSTRUCTION | OTHER<br>GOVERNMENTAL | TOTAL         |               |
|--|-----------------|---|--|-----------------------|---------------|---------------|
|  |                 |   |  |                       | 2008          | 2007          |
| <b>REVENUES</b>                                    |                 |   |  |                       |               |               |
| Local sources:                                     |                 |   |  |                       |               |               |
| Ad valorem taxes (Note 8)                          | \$ 12,413,852   | \$ -  | \$ -   | \$ 4,439,488          | \$ 16,853,350 | \$ 15,699,168 |
| 1% ad valorem tax - tax collector                  | 453,566         | -   | -  | -                     | 453,566       | 418,258       |
| Sales and use taxes                                | -               | 5,111,744   | -  | 30,940,849            | 37,062,593    | 35,057,228    |
| Earnings on investments                            | 1,516,515       | 543,371   | 167,399  | 747,575               | 2,974,860     | 3,047,787     |
| Cash payments for meals                            | -               | -   | -  | 1,872,126             | 1,872,126     | 1,911,034     |
| Other  | 3,035,780       | -   | -  | 860,232               | 3,896,012     | 1,294,645     |
| State sources:                                     |                 |   |  |                       |               |               |
| State equalization                                 | 104,920,815     | -   | -  | 1,341,082             | 106,261,896   | 91,746,823    |
| Revenue sharing                                    | 824,137         | -   | -  | -                     | 824,137       | 773,005       |
| Professional Improvement Program                   | 370,052         | -   | -  | -                     | 370,052       | 340,098       |
| State contribution for teacher retirement (Note 9) | 50,405          | -   | -  | -                     | 50,405        | 38,488        |
| Restricted grants-in-aid                           | 177,602         | -   | -  | 5,302,111             | 5,479,713     | 3,692,401     |
| Federal sources:                                   |                 |   |  |                       |               |               |
| Federal programs                                   | -               | -   | -  | 16,741,535            | 16,741,535    | 16,427,319    |
| Other federal support                              | 264,303         | -   | -  | 349,472               | 613,775       | 772,226       |
| Total revenues                                     | 124,027,048     | 6,655,116   | 167,399  | 62,394,470            | 193,246,032   | 171,218,559   |
| <b>EXPENDITURES</b>                                |                 |   |  |                       |               |               |
| Current:   |                 |   |  |                       |               |               |
| Instructional services:                            |                 |   |  |                       |               |               |
| Regular programs                                   | 59,749,005      | 2,443,846   | -  | 13,652,989            | 75,845,850    | 66,743,502    |
| Special education programs                         | 15,086,658      | 275,719   | -  | 4,599,594             | 19,971,763    | 17,536,087    |
| Vocational programs                                | 1,079,037       | -   | -  | 427,266               | 1,506,303     | 1,245,105     |
| Other instructional programs                       | 1,164,858       | 250,661   | -  | 909,399               | 2,025,318     | 2,054,941     |
| Special programs                                   | 3,297           | -   | -  | 4,782,283             | 4,785,580     | 4,141,145     |
| Adult/continuing education                         | 40,512          | -   | -  | 498,160               | 538,672       | 476,376       |
| Support services:                                  |                 |   |  |                       |               |               |
| Pupil support services                             | 4,536,880       | 476,755   | -  | 2,505,190             | 7,528,825     | 5,807,341     |
| Instructional staff support services               | 5,012,749       | 113,482   | -  | 5,658,442             | 10,784,673    | 7,899,388     |
| General administration                             | 2,054,217       | 583   | 16,334   | 168,697               | 2,239,831     | 1,272,117     |
| School administration                              | 9,045,189       | 81,964  | -  | 1,214,211             | 10,341,364    | 9,371,706     |
| Business services                                  | 2,567,721       | 16,738  | -  | 893,626               | 3,479,985     | 2,277,207     |
| Plant services                                     | 14,525,014      | 1,713,695   | 195,427  | 1,922,286             | 18,356,302    | 17,122,393    |
| Student transportation services                    | 7,246,014       | 1,198,560   | -  | 1,112,406             | 9,556,980     | 8,565,812     |
| Central services                                   | 3,078,876       | 10,683  | -  | 326,112               | 3,415,670     | 2,489,823     |
| Noninstructional services:                         |                 |   |  |                       |               |               |
| Food service operations                            | 688,969         | 132,483   | -  | 9,995,335             | 10,816,797    | 9,756,952     |
| Community service programs                         | 17,043          | -   | -  | 45,865                | 62,908        | 59,343        |
| Facility acquisition and construction              | 836,423         | -   | 688,113  | 7,077,849             | 8,602,385     | 6,066,011     |
| Debt service (Note 13):                            |                 |   |  |                       |               |               |
| Principal  | -               | -   | -  | 5,430,000             | 5,430,000     | 4,800,000     |
| Interest   | -               | -   | -  | 4,933,275             | 4,933,276     | 4,734,117     |
| Technical services                                 | -               | -   | 1,439  | 6,378                 | 7,817         | 6,528         |
| Legal fees   | 2,040           | -   | -  | 1,625                 | 3,665         | 1,550         |
| Bond issuance costs                                | -               | -   | 124,814  | 85,398                | 210,212       | -             |
| Total expenditures                                 | 126,744,679     | 6,717,073   | 1,028,127  | 65,946,076            | 200,433,855   | 172,336,244   |
| Excess (deficiency) of revenues over expenditures  | (2,717,531)     | (61,958)  | (858,728)  | (3,551,606)           | (7,169,823)   | (1,117,686)   |
| <b>OTHER FINANCING SOURCES (USES)</b>              |                 |   |  |                       |               |               |
| Proceeds from bond sales                           | -               | -   | 20,000,000   | 11,950,000            | 31,950,000    | -             |
| Proceeds from sale of assets                       | 14,826          | -   | -  | -                     | 14,826        | 9,811         |
| Accrued interest on bond sales                     | -               | -   | -  | 86,629                | 86,629        | -             |
| Transfers in (Note 16)                             | -               | 250,000   | -  | 7,863,111             | 8,113,111     | 7,079,832     |
| Transfers out (Note 16)                            | (1,282,878)     | -   | -  | (6,830,233)           | (8,113,111)   | (7,079,832)   |
| Total other financing sources (uses)               | (1,268,052)     | 250,000   | 20,000,000   | 13,069,507            | 32,061,455    | 6,811         |
| <b>SPECIAL ITEM</b>                                |                 |   |  |                       |               |               |
| Proceeds from sale of "old" Claiborne Elementary   | -               | -   | -  | 1,619,501             | 1,619,501     | -             |
| Net change in fund balances                        | (3,985,583)     | 188,042   | 19,141,272   | 11,137,402            | 28,481,133    | (1,110,877)   |
| Fund balances (deficit) at beginning of year       | 21,282,789      | 14,938,189  | (505,640)  | 17,804,303            | 53,019,681    | 54,130,528    |
| Fund balances at end of year                       | \$ 17,297,206   | \$ 15,126,231   | \$ 18,635,632  | \$ 28,941,705         | \$ 81,500,814 | \$ 53,019,651 |

See accompanying notes to the basic financial statements.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'  
Statement of Revenues, Expenditures, and Changes in  
Fund Balances to the Statement of Activities  
Fiscal Year Ended June 30, 2008**

|  |              |
|--|--------------|
| Total net change in fund balances – Governmental Funds | \$26,481,133 |
|--|--------------|

Amounts reported for governmental activities in the Statement of Activities are different because:

Elimination of transfers in and out:

|               |                    |   |
|---------------|--------------------|---|
| Transfers in  | \$8,113,111        |   |
| Transfers out | <u>(8,113,111)</u> | - |

Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation in the period:

|                               |               |           |
|-------------------------------|---------------|-----------|
| Capital Outlays               | 13,166,622    |           |
| Depreciation                  | (7,913,966)   |           |
| Decrease in retainage payable | <u>15,478</u> | 5,268,134 |

Capital Assets nor depreciation are reported in the Governmental Funds. Capital assets and accumulated depreciation are reported in the Statement of Net Assets. When an asset is disposed of that is not fully depreciated it results in a loss on the disposal of the asset in the Statement of Activities unless sales proceeds are received which are in excess of carrying value. During the current fiscal year the School Board had a loss on disposal of capital assets of \$24,696.

(24,696)

See accompanying notes to the basic financial statements. (continued)

**Ouachita Parish School Board  
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'  
Statement of Revenues, Expenditures, and Changes in  
Fund Balances to the Statement of Activities (continued)  
Fiscal Year Ended June 30, 2008**

Repayment of bond principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. \$5,430,000

The costs associated with issuing bonds are reported as expenditures in the Governmental Funds. The issuance costs do not require the use of current financial resources; therefore, the costs are amortized over the life of the bond issue in the Statement of Net Activities. For the year ended June 30, 2008, bond issuance costs exceeded current year amortization of bond issuance costs as follows:

|  |                  |        |
|--|------------------|--------|
| Bond issuance costs                              | \$210,213        |        |
| Current year amortization of bond issuance costs | <u>(190,771)</u> | 19,442 |

The School Board self-insures for general liability and workers' compensation. Funds to meet these liabilities are deposited in an Internal Service Fund. The Internal Service Fund is not reported with the Governmental Funds; however, it is reported in the Statement of Net Assets. The net assets in the Internal Service Fund decreased from \$3,023,391 at June 30, 2007 to \$2,620,256 at June 30, 2008 for a net decrease of \$403,135 (403,135)

See accompanying notes to the basic financial statements. (continued)

**Ouachita Parish School Board  
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'  
Statement of Revenues, Expenditures, and Changes in  
Fund Balances to the Statement of Activities (continued)  
Fiscal Year Ended June 30, 2008**

In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the Governmental Funds; however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time earned (\$1,031,581) exceeded the amount used (\$241,117) by \$790,464.

(\$790,464)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the Governmental Funds because accrued interest received from bond sales is recognized as Other Financing Sources when received and interest on outstanding bonds is recognized as an expenditure in the Governmental Funds when it is due, which requires the use of current financial resources. In the Statement of Activities; however, interest expenses are recognized as the interest accrues, regardless of when it is due. Interest expense payable at year end decreased from the previous year as follows:

|   |                  |           |
|---|------------------|-----------|
| Interest expense payable at June 30, 2008 | (\$1,946,406)    |           |
| Interest expense payable at June 30, 2007 | <u>1,533,248</u> | (413,158) |

Bond premium from bond sales is reported in the Governmental Funds as Other Financing Sources when received. Bond premium is reported in the Government-wide Financial Statements as a liability and amortized over the life of the bonds. For the year ended June 30, 2008, current year amortization bond premium of \$12,721.

12,721

See accompanying notes to the basic financial statements.

(continued)

**Ouachita Parish School Board  
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'  
Statement of Revenues, Expenditures, and Changes in  
Fund Balances to the Statement of Activities (continued)  
Fiscal Year Ended June 30, 2008**

Payments to an escrow agent to refund bonded debt are reported in the Governmental Funds as Other Financing Sources. The amount paid to the escrow agent for principal is removed from the long-term bonded debt in the Statement of Net Assets. The deferred part of the payment paid to the escrow agent is shown as a reduction of long-term debt in the Statement of Net Assets. The deferred amount is amortized over the lesser of the life of the original bonds or the life of the refunding bonds. Current year amortization was \$338,390. ( \$338,390)

Discounts received on refinancing bonds are reported in the Governmental Funds as Other Financing Sources. Bond discounts are reported on the Statement of Net Assets as a reduction of long-term debt and amortized over the lesser of the life of the original bonds or the life of the refunding bonds. Current year amortization of bond discount was \$28,663. (28,663)

Other post-employment benefits are reported in the Governmental Funds as expenditures when paid. The unfunded annual contribution is reported in the Statement of Activities as it accrues. (20,305,488)

In the statement of activities, only the gain on the sale of the "old" Claiborne Elementary property is reported; whereas, in the Governmental Funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the book value (\$1,201,881) of the property sold (\$1,619,501). (417,620)

See accompanying notes to the basic financial statements. (continued)

**Ouachita Parish School Board  
Monroe, Louisiana**

**Reconciliation of the Governmental Funds'  
Statement of Revenues, Expenditures, and Changes in  
Fund Balances to the Statement of Activities (continued)  
Fiscal Year Ended June 30, 2008**

General obligation and revenue bonds issued in 2008 are included in the Governmental Funds as Other Financing Sources. Bond issues are not reported on the Statement of Activities but are reported as long-term liabilities on the Statement of Net Assets.

|  |                     |                       |
|--|---------------------|-----------------------|
| General obligation bonds issued by East Ouachita Bond District | (\$20,000,000)      |                       |
| Revenue bonds issued by West Ouachita Bond District            | <u>(11,950,000)</u> | <u>(\$31,950,000)</u> |
| Change in net assets of governmental activities                |                     | <u>(\$17,460,184)</u> |

See accompanying notes to the basic financial statements.

(concluded)



**Ouachita Parish School Board  
Monroe, Louisiana**

**Proprietary Fund - Internal Service Fund  
Comparative Statement of Net Assets**

**June 30, 2008 and 2007**

|  | <b>Total</b>        |                     |
|--|---------------------|---------------------|
|  | <b>2008</b>         | <b>2007</b>         |
| <b>Assets:</b>                         |                     |                     |
| Current assets:                        |                     |                     |
| Cash and cash equivalents              | \$ 2,570,935        | \$ 695,342          |
| Investments                            | 1,321,983           | 3,194,468           |
| Accounts receivable                    | 32,369              | 2,690               |
| Total assets                           | <u>3,925,287</u>    | <u>3,892,500</u>    |
| <b>Liabilities:</b>                    |                     |                     |
| Current liabilities:                   |                     |                     |
| Accounts payable                       | -                   | 700                 |
| Claims liability - due within one year | 326,258             | 217,102             |
| Noncurrent liabilities:                |                     |                     |
| Claims liability                       | 978,773             | 651,307             |
| Total liabilities                      | <u>1,305,031</u>    | <u>869,109</u>      |
| <b>Unrestricted net assets</b>         | <u>\$ 2,620,256</u> | <u>\$ 3,023,391</u> |

*See accompanying notes to the basic financial statements.*

**Ouachita Parish School Board  
Monroe, Louisiana**

**Proprietary Fund - Internal Service Fund  
Comparative Statement of Revenues, Expenses  
and Changes in Net Assets**

**Fiscal Years Ended June 30, 2008 and 2007**

|  | <b>Total</b>               |                            |
|--|----------------------------|----------------------------|
|  | <b>2008</b>                | <b>2007</b>                |
| Operating revenue                            | \$ -                       | \$ -                       |
| Operating expenses                           |                            |                            |
| Self-insurance claims and insurance premiums | <u>1,349,309</u>           | <u>776,105</u>             |
| Operating income (loss)                      | (1,349,309)                | (776,105)                  |
| Nonoperating revenues                        |                            |                            |
| Earnings on investments                      | <u>115,274</u>             | <u>162,235</u>             |
| Loss before transfers                        | (1,234,035)                | (613,870)                  |
| Transfers in                                 | <u>830,900</u>             | <u>-</u>                   |
| Change in net assets                         | (403,135)                  | (613,870)                  |
| Net assets at beginning of year              | <u>3,023,391</u>           | <u>3,637,261</u>           |
| Net assets at end of year                    | <u><u>\$ 2,620,256</u></u> | <u><u>\$ 3,023,391</u></u> |

*See accompanying notes to the basic financial statements.*

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**Ouachita Parish School Board  
Monroe, Louisiana**

**Proprietary Fund - Internal Service Fund  
Comparative Statement of Cash Flows**

**Fiscal Years Ended June 30, 2008 and 2007**

|  | <u>Total</u>               |                            |
|--|----------------------------|----------------------------|
|  | <u>2008</u>                | <u>2007</u>                |
| <b>Cash flows from (used by) operating activities:</b>   |                            |                            |
| Claims and premiums paid   | \$ (940,893)               | \$ (797,776)               |
| Net cash provided (used) by operating activities   | <u>(940,893)</u>           | <u>(797,776)</u>           |
| <b>Cash flows from noncapital financing activities:</b>  |                            |                            |
| Transfer from General Fund   | <u>830,900</u>             | <u>-</u>                   |
| <b>Cash flows from (used by) investing activities:</b>   |                            |                            |
| Sale (purchase) of investments, net  | 1,870,312                  | (493,835)                  |
| Earnings on investments  | 115,274                    | 162,235                    |
| Net cash provided (used) by investing activities   | <u>1,985,586</u>           | <u>(331,600)</u>           |
| <b>Net increase (decrease) in cash and cash equivalents</b>                                    | <b>1,875,593</b>           | <b>(1,129,376)</b>         |
| <b>Cash and cash equivalents at beginning of year</b>  | <b>695,342</b>             | <b>1,824,718</b>           |
| <b>Cash and cash equivalents at end of year</b>  | <b><u>\$ 2,570,935</u></b> | <b><u>\$ 695,342</u></b>   |
| <b>Reconciliation of Operating Income to Net Cash</b>  |                            |                            |
| <b>Provided by Operating Activities:</b>   |                            |                            |
| Operating income (loss)  | \$ (1,349,309)             | \$ (776,105)               |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities: |                            |                            |
| Changes in assets and liabilities:   |                            |                            |
| (Increase) decrease in receivables   | (27,506)                   | (2,690)                    |
| Increase (decrease) in payables  | (700)                      | (7,175)                    |
| Increase (decrease) in claims liability  | <u>436,622</u>             | <u>(11,806)</u>            |
| <b>Net cash provided (used) by operating activities</b>  | <b><u>\$ (940,893)</u></b> | <b><u>\$ (797,776)</u></b> |
| <b>Noncash investing activities:</b>   |                            |                            |
| Increase (decrease) in fair value of investments   | <u>\$ 2,713</u>            | <u>\$ 37,861</u>           |

*See accompanying notes to the basic financial statements.*

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**Ouachita Parish School Board  
Monroe, Louisiana**

**Fiduciary Fund - Agency Funds  
Comparative Statement of Fiduciary Assets and Liabilities**

**June 30, 2008 and 2007**

|                           | <b>Total</b>               |                           |
|---------------------------|----------------------------|---------------------------|
|                           | <b>2008</b>                | <b>2007</b>               |
| <b>Assets:</b>            |                            |                           |
| Cash and cash equivalents | <u><u>\$ 3,461,296</u></u> | <u><u>\$3,122,635</u></u> |
| <b>Liabilities:</b>       |                            |                           |
| Amounts held for others   | <u><u>\$3,461,296</u></u>  | <u><u>\$3,122,635</u></u> |

See accompanying notes to the basic financial statements.



*Our Mission:  
Through collaboration  
among all stakeholders, the  
Ouachita Parish School System  
will ensure that all students attain  
the knowledge and skills needed  
to be productive citizens.*

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements  
Fiscal Year Ended June 30, 2008**

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**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

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**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements  
Fiscal Year Ended June 30, 2008**

**1. Summary of Significant Accounting Policies**

The accompanying financial statements of the Ouachita Parish School Board (School Board) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

**A. Financial Reporting Entity**

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the School Board has a separately elected governing body and is legally separate and fiscally independent, the School Board is a separate governmental reporting entity. For financial reporting purposes, the School Board's financial statements include all funds, schools, agencies and committees for which the School Board is financially accountable. The School Board is not aware of any other entities that should be included within the financial statements.

Certain units of local government, such as other independently elected officials, the parish police jury and municipalities, are excluded from the accompanying financial statements. These units have their own elected governing authorities and are not financially accountable to the School Board.

**B. Fund Accounting**

The financial transactions of the School Board are recorded in individual funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that include its assets, liabilities, fund equity, revenues and expenditures, or expenses as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**1. Summary of Significant Accounting Policies (continued)**

The School Board uses the following fund categories and fund types.

***Governmental Funds:*** Governmental funds account for the School Board's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of general long-term debt. Governmental funds are divided into major and nonmajor funds. Major funds are funds that meet certain dollar tests of their assets, liabilities, revenues, and expenditures/expenses. Major funds are larger, more significant funds. Nonmajor funds are the Governmental Funds that do not meet the dollar tests for major funds. The major and nonmajor funds are described below:

**Major Funds:**

***General Fund*** - The General Fund is the general operating fund of the School Board. It accounts for all financial resources except those required to be accounted for in another fund and is always a major fund.

***Special Revenue Funds*** - Special Revenue Funds account for the proceeds of specific revenue sources (other than special assessments) that are legally restricted to expenditures for specified purposes. The District #1 Sales Tax Special Revenue Fund is the only major Special Revenue Fund. For a more detailed description of the major Special Revenue Fund see the Required Supplemental Information – Part B, Budgetary Comparison Schedule.

***Capital Projects Funds*** – Capital Projects Funds account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other Governmental Funds. The East Ouachita 2008 Construction Capital Projects Fund is the only major Capital Projects Fund. For a description of this fund see the Capital Projects Funds tab section of the report.

**Nonmajor Funds:**

The School Board has 10 nonmajor Special Revenue Funds, 3 nonmajor Debt Service Funds, and 2 nonmajor Capital Projects Funds. For a description of these funds see the Nonmajor Special Revenue Funds, Debt Service Funds, and Capital Projects Funds tab sections of the report.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**1. Summary of Significant Accounting Policies (continued)**

***Proprietary Funds:***

*Internal Service Fund* - The Internal Service Fund accounts for the financing of services provided by one fund to other funds of the School Board. The Self-Insurance Internal Service Fund, which purchases an insurance policy and accounts for third-party administrative costs and claims, is reported as an internal service fund.

***Fiduciary Funds:***

*Agency Funds* - The Agency Funds account for assets held by the School Board in a trustee capacity or as an agent for individuals, private or school organizations, other governmental units and/or other funds. The School Activity Funds and Migrant Funds of other parishes are reported as Agency Funds.

**C. Basis of Accounting/Measurement Focus**

**Government-wide Financial Statements (GWFS)**

The Statement of Net Assets and the Statement of Activities display information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Non-exchange transactions are recognized when the School Board has an enforceable legal claim to the revenues, expenses, gains, losses, assets and liabilities.

***Program revenues***

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the School Board's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the School Board's general revenues.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**1. Summary of Significant Accounting Policies (continued)**

*General Revenues*

General revenues included in the Statement of Activities derive directly from local property and sales taxes and from unrestricted state grants. General revenues finance the remaining balance of a function not covered by program revenues.

*Allocation of indirect expenses*

The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**Fund Financial Statements (FFS)**

*Governmental Funds*

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds reported in the fund financial statements are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The Proprietary Fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of this fund are included on the balance sheet. The Proprietary Fund is accounted for using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. Operating revenues are charges to the General Fund for insurance related costs such as claims liability and insurance premiums. Nonoperating revenues are revenues that are not derived from charges to the General Fund such as earnings on investments. Proprietary Fund Type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**1. Summary of Significant Accounting Policies (continued)**

total net assets. Operating expenses are general liability and worker's compensation claims and worker's compensation insurance premiums.

Governmental funds reported in the fund financial statements are accounted for on the modified accrual basis of accounting. Governmental fund revenues are recognized in the accounting period in which they become susceptible to accrual—that is, when they become both measurable and available to pay current period liabilities. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School Board considers all revenues available if they are collected within 60 days after the fiscal year end. Such revenue items are ad valorem, sales and use taxes and federal and state entitlements. Ad valorem taxes are considered measurable and are recognized in the calendar year of the tax levy. Sales and use taxes are considered measurable and available when collected by the vendors. Revenue from state and federal grants are recorded when the reimbursable expenditures have been incurred.

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Funds for payments to be made early in the following year. Other post employment benefits (OPEB) are recorded in the Government-wide Financial Statements as an expenditure and as a liability when incurred.

**D. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in interest-bearing demand deposits, bank certificates of deposit, as well as short-term investments with a maturity date within three months of the date acquired. Bank certificates of deposit are stated at cost, which is the same as fair value. Short-term investments are stated at cost, which approximates fair value.

Cash balances of all of the School Board's funds, except for the Payroll Account, are pooled into one master bank account with the School Board's fiscal agent bank. The Payroll Account is maintained in a separate account.

Interest earned on balances maintained in the pooled bank account was distributed to the individual funds based on the cash balance maintained by the unrestricted participating fund during the year.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**1. Summary of Significant Accounting Policies (continued)**

The School Board maintains separate "book" cash accounts for each fund that is pooled within the master bank account. Negative book cash balances appear in the financial statements as a liability, "Due to Other Funds." The balance of these amounts will be paid primarily through collections of grants receivable reimbursements from the Federal and State Departments of Education.

**E. Investments**

Louisiana Revised Statutes (R.S. 33:2955) and the Board's investment policy govern the investment policies of the School Board. The Ouachita Parish School Board is authorized to invest in U. S. Treasury obligations, U.S. Government instrumentalities, A-1, P-1 commercial paper, and other allowable short-term obligations including repurchase agreements. These are classified as investments if they have a maturity date of 90 days or more from the date of acquisition. Investments are carried at fair value.

Cash management and investment activities shall be conducted in a manner consistent with the "prudent investor" rule which states, "Investments shall be made with judgment and care under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment considering the probable safety of their capital as well as the probable income to be derived."

**F. Short-Term Interfund Receivables/Payables**

During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the fund financial statements balance sheet.

**G. Elimination and Reclassifications**

In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column. Interfund services provided and used by the various Governmental Funds have not been eliminated in the process of aggregating data.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**1. Summary of Significant Accounting Policies (continued)**

**H. Inventory and Prepaid Items**

Inventory is accounted for using the consumption method, where expenditures are recognized as inventory when used. Inventory is stated at cost using the first-in, first-out (FIFO) basis. Inventory consists primarily of commodities and purchased food held for consumption. Purchased food inventory in the governmental funds is equally offset by a fund balance reserve which shows that this inventory does not constitute "available spendable resources" even though

it is a component of total assets. Commodities inventory of \$174,965 is reported as unearned revenues, leaving a reserved fund balance of \$126,058 for purchased food.

Certain payments to vendors for travel expenditures reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

**I. Bond Issuance Costs**

Costs (bond rating fees, attorney fees, printing, etc.) associated with issuing bonds are capitalized and amortized over the life of the bond issue in the Government-wide Financial Statements. The bond issuance costs are reported as expenditures in the Fund Financial Statements. The following is a summary of governmental activities bond issuance cost transactions for the year ended June 30, 2008:

|                       | <u><b>Bond Issuance<br/>Costs</b></u> | <u><b>Accumulated<br/>Amortization</b></u> |
|-----------------------|---------------------------------------|--|
| Balance June 30, 2007 | \$598,637                             | \$555,935                                  |
| Additions             | <u>746,706</u>                        | <u>190,771</u>                             |
| Balance June 30, 2008 | <u><b>\$1,345,343</b></u>             | <u><b>\$746,706</b></u>                    |

**J. Capital Assets**

Capital assets, which include land, buildings, and equipment, are reported as governmental funds in the Governmental-wide Financial Statements. The School Board considers assets with an initial individual cost of more than \$1,000 and an estimated useful life of 2 years or more as a capital asset.

Capital assets are recorded at historical cost and depreciated over their estimated useful lives. Donated capital assets are recorded at their estimated fair value at the date of donation.



**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**1. Summary of Significant Accounting Policies (continued)**

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Capital assets have not been assigned a salvage value because management feels that the salvage value is immaterial. Straight-line depreciation is used based on the following estimated useful lives:

|                         |            |
|-------------------------|------------|
| Buildings               | 40 years   |
| Furniture and equipment | 5-15 years |

Public domain (infrastructure) capital assets (e.g. parking lots, sidewalks, and other assets that are immovable and of value only to the government) were capitalized as part of the construction cost of the buildings.

**K. Unearned Revenues**

The School Board reports unearned revenues on its Statement of Net Assets and on the Fund Financial Statements' balance sheet. Unearned revenues arise when the School Board receives resources before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for unearned revenue is removed from the Governmental Fund's Fund Financial Statements' balance sheet and the revenue is recognized.

**L. Interfund Activity**

Interfund activity is reported as loans, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or propriety funds are netted as part of the reconciliation to the Government-wide Financial Statements.

**M. Compensated Absences**

All 12-month employees earn from 10 to 15 days of annual leave each year depending on length of service with the School Board. Annual leave is credited at the beginning of each fiscal year and a maximum of five days can be accumulated and carried forward into a new fiscal year. Upon termination of employment, unused annual leave up to 20 days is paid to employees at the employees' current rates of pay.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**1. Summary of Significant Accounting Policies (continued)**

All school employees earn ten days of sick leave each year. Sick leave may be accumulated without limitations. Upon retirement, unused accumulated sick leave of up to 25 days is paid to employees at the employees' current rates of pay. The accrual recorded for earned sick leave is based on a 25-day maximum per employee. Sick leave is not payable upon discharge or termination. Upon retirement, accumulated sick leave is used in the retirement benefit computation as earned service.

Sick and vacation leave are reported in the Statement of Net Assets as a long-term liability and expensed in the Statement of Activities. Sick and vacation leave accrued in the Statement of Net Assets as of the end of the fiscal year are valued using employees' current rates of pay. Neither the School Board nor the employees are required to contribute to the retirement system for sick and annual leave payments. Accrued sick and vacation leave will be paid from future years' resources. No allowance is made for the immaterial amounts of sick leave forfeited when employees resign or retire. A liability for sick and annual leave is reported in the Governmental Funds only if they are payable at year end as the result of an employee's retirement.

**N. Long-Term Liabilities**

Bond premiums and discounts, as well as issuance costs, are recognized in the fund financial statements in the period the bonds are issued. Bond proceeds are reported as an Other Financing Source. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

In the Government-wide Financial Statements bond premiums and issuance costs are reported on the balance sheet net of amortization and amortized over the life of the bonds. Bond discounts have been reported in the Government-wide Financial Statements as a reduction of long-term liability, net of accumulated amortization. Bond proceeds have been reported in the Government-wide Financial Statements as a long-term liability.

The current cost of other post-employment benefits is recognized in the fund financial statements in the year earned. Other post-employment benefits earned prior to the implementation of GASB 45 in fiscal year 2008 are to be recognized 3% per year for the years 2008 – 2037.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**1. Summary of Significant Accounting Policies (continued)**

**O. Restricted Net Assets**

For the Government-wide Statement of Net Assets, net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

In the Statement of Net Assets the following items are considered restricted:

Debt service is considered restricted because an ad valorem tax has been levied specifically to meet the principal and interest payments of various bond issues.

Salaries and related benefits are considered restricted as it represents undistributed salaries and related benefits from sales taxes restricted by sales tax propositions exclusively for this purpose.

Protested taxes are considered restricted because the taxpayer has filed suit protesting the ad valorem tax assessment and the amount of the tax. Distribution of the tax is pending settlement of the suit.

**P. Reserves and Designations of Fund Financial Statements**

Portions of fund equity reported in the Fund Financial Statements are reserved for future use and are, therefore, not available for future appropriation or expenditure. Designations of unreserved fund balances indicate the School Board's tentative plans for the use of financial resources in a future period.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**1. Summary of Significant Accounting Policies (continued)**

**Q. Sales and Use Tax**

The voters of Ouachita Parish have authorized the collection of four sales and use taxes for the benefit of the School Board. The first of these is a .5% sales and use tax levied and collected jointly by the City of Monroe School Board and the Ouachita Parish School Board. The net proceeds of the tax are to be allocated and prorated between the two school boards annually on the basis of average daily membership for the preceding school year. The tax revenue is to be used exclusively to supplement other revenues available to the School Board for the following purposes:

Eighty-eight percent of the revenues received by the School Board are to be used for the payment of the salaries of teachers, as defined by the Louisiana State Department of Education.

Twelve percent of the revenues received by the School Board are to be used for the payment of salaries to designated personnel, other than teachers.

The second of these taxes is an additional 1% sales and use tax levied and collected by the School Board only, and is to be used exclusively to supplement other revenue available to the School Board for the purpose of teacher and School Board employees' salaries and benefits.

The third of these taxes is an additional .5% sales and use tax levied and collected by the School Board only. The tax revenue is to be used exclusively to supplement other revenues available to the School Board for the following purposes:

Thirty-eight percent of the revenues received by the School Board are to be used for capital improvements and facility and equipment support.

Thirty-six percent of the revenues received by the School Board are to be used for classroom instruction.

Fourteen percent of the revenues received by the School Board are to be used for the payment of mandated costs.

Twelve percent of the revenues received by the School Board are to be used to restore salary reductions.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**I. Summary of Significant Accounting Policies (continued)**

The fourth of these is an additional 1% sales and use tax levied and collected by the West Ouachita Parish School Bond District for a period of 27 years through the year 2025. The tax proceeds are to be used for constructing, acquiring, improving, equipping, furnishing, maintaining, and/or operating schools and school related facilities in the district, with the proceeds of the tax being subject to funding into bonds for capital improvements.

**R. Self-Insurance**

The School Board is exposed to risks from damage to property from natural disasters and fires and for errors and omissions. The School Board is covered through insurance policies for these risks. The School Board is also at risk from injuries to students, employees, and citizens incurred on our facilities through negligence and to employees being injured on the job. The School Board is partially self-insured for workers' compensation and general liability insurance coverage, and maintains policies with large deductibles for property and fleet vehicle insurance. The School Board has an excess insurance policy which covers individual workers' compensation claims and occurrences in excess of \$350,000. The School Board self-insures for the retention. The School Board has not had claims to exceed its insurance coverage for each of the past three fiscal years.

Revenues that finance the operations of the Self-Insurance Internal Service Fund are considered operating revenues and include charges for services and insurance proceeds from losses. Revenues that are not derived directly from the operations of the self-insurance program are considered nonoperating revenues and include earnings on investments. The School Board has increased the net assets in the Internal Service Fund over the years by transfers from the General Fund to cover future catastrophic losses.

Expenses related to these plans are recognized in the self-insurance fund as claims are incurred. A liability for unpaid and incurred but not reported claims is based on the School Board's known claims and its previous experience. A third-party administrator, who processes and investigates claims, pays valid claims and estimates the liabilities for unpaid claims, manages the workers' compensation and general liability plans. School Board personnel manage the remaining plans.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**1. Summary of Significant Accounting Policies (continued)**

During fiscal year 2008, total expenses for claims and insurance premiums related to the self-insurance plans were \$1,349,309. The School Board's activity in claims liability for fiscal years 2007 and 2006 was:

|   | <u>2008</u>        | <u>2007</u>      |
|---|--------------------|------------------|
| Claims liability at beginning of the year                   | \$868,409          | \$880,215        |
| Incurred claims and provision for incurred but not reported | 1,688,070          | 733,346          |
| Claims payments   | (1,251,448)        | (745,152)        |
| Claims liability at the end of the year                     | <u>\$1,305,031</u> | <u>\$868,409</u> |
| Claims liability due within one year                        | <u>\$326,258</u>   | <u>\$217,102</u> |

**S. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**T. Special Items**

Special items are transactions or events within the control of the school board, which are either unusual in nature or infrequent in occurrence. The sale of the old Claiborne Elementary School property in January 2008 for \$1,619,501 is reported as a special item in the Governmental Funds' Combining Statement of Revenues, Expenditures, and Changes in Fund Balances. The \$1,201,881 net gain on the sale is reported as a special item in the Statement of Activities.

**2. Deficit Fund Equity**

The School Food Service Special Revenue Fund has a deficit in unreserved fund balance (net assets) of \$782,941 at June 30, 2008. Management plans to eliminate the deficit in the School Food Service Special Revenue Fund by closely monitoring expenditures and reducing expenditures where possible. In addition, School Food Service plans to increase the price per meal for the 2008-09 school year.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**3. Expenditures – Budget and Actual**

The following individual nonmajor special revenue and debt service funds had actual expenditures over total budgeted expenditures for the year ended June 30, 2008.

| <u>Fund</u>                     | <u>Budget</u> | <u>Actual</u> | <u>Variance<br/>With<br/>Final<br/>Budget</u> |
|---------------------------------|---------------|---------------|---|
| Nonmajor Special Revenue Funds: |               |               |   |
| West Ouachita Sales Tax         | \$948,225     | \$1,024,955   | (\$76,730)                                    |
| School Food Service             | 8,553,843     | 9,234,830     | (680,987)                                     |
| Nonmajor Debt Service Funds:    |               |               |   |
| East Ouachita Bond              | 3,627,690     | 3,642,437     | (14,747)                                      |

West Ouachita Sales Tax Fund actual expenditures exceeded budgeted expenditures due to unanticipated additional repairs which were required at year end. The excess of expenditures over budgeted expenditures in the School Food Service Fund was the result of underestimating food and utility costs. East Ouachita Bond actual expenditures exceeded budgeted expenditures due to underestimating fiscal agent administrative cost.

**4. Cash and Cash Equivalents**

*Custodial credit risk-deposits.* At year-end, as reported on the Statement of Net Assets and the Agency Funds' Comparative Statement of Assets and Liabilities, the book balances of the School Board's deposits (including bank certificates of deposit) were \$31,716,202 and \$3,461,296, respectively. The School Board had bank balances totaling \$38,722,087 at June 30, 2008 of which \$951,859 were covered by federal depository insurance and \$37,770,228 were covered by collateral held by the trust department of agents of the pledging financial institutions in the School Board's name. Securities that may be pledged as collateral are obligations of the United States Government and its agencies, and obligations of the State of Louisiana and its municipalities and school districts. Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the district that the fiscal agent has failed to pay deposited funds upon demand.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**4. Cash and Cash Equivalents (continued)**

Individual funds with significant book cash deficit balances at June 30, 2008 were as follows:

| <u>Fund</u>                     | <u>Cash Deficit</u> |
|---------------------------------|---------------------|
| Nonmajor Special Revenue Funds: |                     |
| School Food Service             | \$ 446,167          |
| Title I Programs                | 564,336             |
| Special Education IDEA-B        | 411,941             |
| Other Federal Programs          | 512,442             |
| State Grants                    | <u>1,216,209</u>    |
| Total                           | <u>\$3,151,095</u>  |

**5. Investments**

Investments are limited by Louisiana Revised Statute 33:2955 and the School Board's Investment Policy. The Board's investment policy allows funds which are available for investment and above immediate cash requirements to be invested in accordance with the following: a.) first priority shall be to secure safety of principle. b.) second priority shall be to ensure liquidity of funds to meet the obligations of the School Board. c.) third priority shall be the yield of investments. The School Board's investments of \$61,483,497 as of June 30, 2008, consist of the following and are carried at fair value:

| <u>Investment Type</u>                 | <u>Fair Value</u>   | <u>% of<br/>Total</u> | <u>Credit<br/>Risk</u> |
|--|---------------------|-----------------------|------------------------|
| U. S. Government Instrumentalities:    |                     |                       |                        |
| Federal Home Loan Mortgage Corporation | \$12,448,575        | 20.2%                 | AAA                    |
| Federal National Mortgage Association  | 6,339,157           | 10.3%                 | AAA                    |
| Federal Home Loan Bank                 | 4,915,314           | 8.0%                  | AAA                    |
| Federal Farm Credit                    | 634,964             | 1.0%                  | AAA                    |
| Tennessee Valley Authority             | 1,377,354           | 2.2%                  | AAA                    |
| Investment Pools:                      |                     |                       |                        |
| Argent Trust                           | 28,192,526          | 46.0%                 | AAA                    |
| Merrill Lynch                          | <u>7,575,607</u>    | <u>12.3%</u>          | AAA                    |
| Total                                  | <u>\$61,483,497</u> | <u>100.00%</u>        |                        |



**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**5. Investments (continued)**

*Credit risk.* All of the School Board's investments, as shown in the previous table, are rated AAA as measured by Standard & Poor's Corporation.

*Concentration of credit risk.* Applicable state statutes do not place limits on credit concentration. The School Board does not limit the amount that may be invested in securities of any one issuer.

*Interest rate risk.* In accordance with its investment policy, the School Board manages its exposure to declines in fair values by using the weighted average maturity method. This method takes into account the timing of maturities and the amounts that are required to mature on specific dates to meet liquidity needs. Of the amount invested in U. S. Government instrumentalities, \$24,669,058 mature in less than twelve months and \$1,046,306 mature in twenty months. The remaining \$35,768,133 of the total portfolio is held in investment pools. These investments are bond proceeds held for the purpose of construction. The maturity dates are thirty-six months or less and follow the construction draw-down schedules for those specific funds. A laddering strategy which spreads maturity dates is used to meet liquidity requirements and to decrease interest rate risk.

**6. Ad Valorem Taxes**

All taxable property in Louisiana is required by law to be assessed annually at a percentage of its fair market value by the parish assessor, except for public utility property, which is assessed by the Louisiana Tax Commission.

The 1974 Louisiana Constitution provides that land and residential property are to be assessed at 10% of fair market value; however, agricultural, horticultural, marsh lands, timber lands, and certain historic buildings are to be assessed at 15% of fair market value. Fair market values are determined by the elected assessor of the parish and are subject to review and final certification by the Louisiana Tax Commission. The assessor is required to reappraise all property every four years.

The School Board is permitted by constitutional and statutory authority of the State to levy taxes up to 29.33 mills per \$1,000 of assessed valuation for operations other than the payment of principal and interest on long-term debt. This is the amount which was levied for fiscal 2008.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**6. Ad Valorem Taxes (continued)**

The School Board was authorized by the citizens of the East Ouachita Bond District to levy taxes sufficient enough to pay the annual principal and interest on the general obligation bonds. The School Board levied 30.0 mills on the 2007 tax roll for the East Ouachita Bond District. The Sheriff of Ouachita Parish, as provided by State law, is the official tax collector of general property taxes levied by the School Board.

The Sheriff of Ouachita Parish, as provided by State law, is the official tax collector of general property taxes levied by the School Board. The 2007 property tax calendar was as follows:

|                       |                   |
|-----------------------|-------------------|
| Millage rates adopted | August 21, 2007   |
| Levy date             | November 7, 2007  |
| Tax bills mailed      | November 16, 2007 |
| Due date              | December 31, 2007 |
| Lien date             | January 1, 2008   |

State law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the General Fund and in the East Ouachita Bond Debt Service Fund on the basis explained in Note 1.C. Revenues in such funds are recognized in the accounting period in which they become measurable and available. Property taxes are considered measurable in the calendar year of the tax levy. Delinquent taxes considered to be uncollectible are not recorded as revenues. Property taxes receivable are considered available because they are substantially collected within 60 days subsequent to year-end.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**7. Receivables**

The receivables of \$11,185,340 at June 30, 2008, as reported on the Governmental Funds and Internal Service Fund Balance Sheets, were as follows:

|                   | General<br>Fund  | Major<br>Special<br>Revenue<br>Fund -<br>District<br>#1<br>Sales Tax | Major<br>Capital<br>Projects<br>Fund - East<br>Ouachita<br>2008<br>Construction | Nonmajor<br>Funds -<br>Other<br>Governmental | Internal<br>Service<br>Fund | Total               |
|-------------------|------------------|--|---|--|-----------------------------|---------------------|
| Taxes:            |                  |  |   |  |                             |                     |
| Ad valorem        | \$307,594        | \$ -   | \$ -  | \$ 33,162                                    | \$ -                        | \$ 340,756          |
| Sales and<br>use  | -                | 1,026,785  | -   | 5,094,748                                    | -                           | 6,121,533           |
| Federal<br>grants | 46,573           | -  | -   | 2,527,397                                    | -                           | 2,573,970           |
| Other             | <u>40,233</u>    | <u>-</u>   | <u>13,875</u>   | <u>2,062,604</u>                             | <u>32,369</u>               | <u>2,149,081</u>    |
| Total             | <u>\$394,400</u> | <u>\$1,026,785</u>   | <u>\$13,875</u>   | <u>\$9,717,911</u>                           | <u>\$32,369</u>             | <u>\$11,185,340</u> |

All receivables are expected to be collected within the next fiscal year.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**8. Capital Assets**

The changes in capital assets were as follows:

|  | Balance<br>June 30,<br>2007 | Additions           | Deletions            | Balance<br>June 30,<br>2008 |
|--|-----------------------------|---------------------|----------------------|-----------------------------|
| <b>Governmental Activities:</b>                    |                             |                     |                      |                             |
| <b>Capital assets, not being depreciated:</b>      |                             |                     |                      |                             |
| Land   | \$6,262,699                 | \$25,560            | (\$228,420)          | \$6,059,839                 |
| Construction in progress-                          |                             |                     |                      |                             |
| Buildings  | <u>5,262,469</u>            | <u>5,814,932</u>    | <u>(5,250,469)</u>   | <u>5,826,932</u>            |
| Total capital assets, not being depreciated        | <u>11,525,168</u>           | <u>5,840,492</u>    | <u>(5,478,889)</u>   | <u>11,886,771</u>           |
| <b>Capital assets, being depreciated:</b>          |                             |                     |                      |                             |
| Buildings and Improvements                         | 240,418,961                 | 7,559,543           | (1,300,801)          | 246,677,703                 |
| Furniture and equipment                            | <u>32,582,514</u>           | <u>5,017,056</u>    | <u>(663,316)</u>     | <u>36,936,254</u>           |
| Total capital assets, being Depreciated            | <u>273,001,475</u>          | <u>12,576,599</u>   | <u>(1,964,117)</u>   | <u>283,613,957</u>          |
| <b>Less accumulated depreciation:</b>              |                             |                     |                      |                             |
| Buildings and Improvements                         | (76,150,253)                | (5,283,339)         | 1,111,601            | (80,321,991)                |
| Furniture and equipment                            | <u>(21,942,686)</u>         | <u>(2,630,627)</u>  | <u>638,623</u>       | <u>(23,934,690)</u>         |
| Total accumulated Depreciation                     | <u>(98,092,939)</u>         | <u>(7,913,966)</u>  | <u>1,750,224</u>     | <u>(104,256,681)</u>        |
| Total capital assets, being depreciated, net       | <u>174,908,536</u>          | <u>4,662,633</u>    | <u>(213,893)</u>     | <u>179,357,276</u>          |
| <b>Governmental activities capital assets, net</b> | <u>\$186,433,704</u>        | <u>\$10,503,125</u> | <u>(\$5,692,782)</u> | <u>\$191,244,047</u>        |

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**8. Capital Assets (continued)**

Depreciation expense was charged to governmental activities as follows:

|                                      |                    |
|--------------------------------------|--------------------|
| Instructional services:              |                    |
| Regular programs                     | \$5,874,493        |
| Special education programs           | 134,921            |
| Vocational programs                  | 32,871             |
| Other instructional programs         | 224,008            |
| Special programs                     | 142,687            |
| Adult/continuing education           | 960                |
| Support services:                    |                    |
| Pupil support services               | 20,604             |
| Instructional staff support services | 57,058             |
| General administration               | 8,557              |
| School administration                | 1,486              |
| Business services                    | 36,845             |
| Plant services                       | 444,716            |
| Student transportation services      | 614,950            |
| Central services                     | 217,997            |
| Non-instructional services:          |                    |
| Food service operations              | <u>101,813</u>     |
| Total depreciation expense           | <u>\$7,913,966</u> |

During the 2007-08 fiscal year, the School Board entered into contracts totaling \$12,456,507 and in the 9 previous years the School Board entered into contracts totaling \$152,633,204 to construct 8 new schools and to make repairs and renovations to 28 schools. The construction is estimated to take three more years to complete. Work started but not completed during the 2008 fiscal year on contracts totaling \$5,826,932, was capitalized as construction in progress - buildings. At June 30, 2008, the School Board had \$241,341 in retainages related to construction in progress. The retainages will be paid at the completion of the projects in the 2008-09 fiscal year. The retainages have not been included on the June 30, 2008, balance sheet of the Fund Financial Statements, as they will not be paid from available spendable resources. At June 30, 2008, these contracts have \$5,273,704 remaining in work to be completed within the next year. The contracts will be paid by the capital project funds.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**9. Retirement Systems**

In 1996, the School Board adopted Governmental Accounting Standards Board Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*. The School Board had no pension liability or asset at the effective date of the transition.

Substantially all employees of the School Board are members of two statewide retirement systems. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Teachers' Retirement System of Louisiana (TRS); other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System (LSERS). These systems are cost sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

**A. Teachers' Retirement System of Louisiana (TRS)**

**Plan Description:**

The TRS consists of three membership plans: Regular Plan, Plan A, and Plan B. The School Board participates in two of the membership plans — the Regular Plan and Plan A. The TRS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit are required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by State statute.

The TRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRS. That report may be obtained by writing to the Teachers' Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446.

**Funding Policy:**

Plan members are required to contribute 8.0% and 9.1% of their annual covered salary for the Regular Plan and Plan A, respectively. The School Board is required to contribute at an actuarially determined rate. The School Board's contribution rate of annual covered payroll for the regular membership plan and for Plan A for the years ended June 30, 2008, 2007, and 2006, were 16.6%, 15.8%, and 15.9%, respectively. Member contributions and employer contributions for the TRS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the TRS, as

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**9. Retirement Systems (continued)**

provided by state law, is funded by the State of Louisiana through annual appropriations, by deductions from local ad valorem taxes, and by remittances from the School Board.

The School Board's contributions to the TRS for the years ending June 30, 2008, 2007, and 2006, were \$15,593,453, \$12,683,766, and \$11,988,743, respectively, equal to the required contributions for each year.

**B. Louisiana School Employees' Retirement System (LSERS)**

**Plan Description:**

The LSERS provides retirement benefits as well as disability and survivor benefits. Ten years of service credit is required to become vested for retirement benefits and five years to become vested for disability and survivor benefits. Benefits are established and amended by state statute. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information for the LSERS. That report may be obtained by writing to the Louisiana School Employees' Retirement System, Post Office Box 44516, Baton Rouge, Louisiana 70804, or by calling (225) 925-6484.

**Funding Policy:**

Plan members are required to contribute 7.50% of their annual covered salary and the School Board is required to contribute at an actuarially determined rate. The School Board's contribution rate of annual covered payroll for the years ended June 30, 2008, 2007, and 2006 were 18.1%, 19.6% and 18.4%, respectively. Member contributions and employer contributions for the LSERS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution for the LSERS, as provided by state law, is funded by the State of Louisiana through annual appropriations and by remittances from the School Board.

The School Board's contribution to LSERS for the years ending June 30, 2008, 2007, and 2006 were \$1,903,742, \$1,906,512, and \$1,587,150, respectively, equal to the required contributions for the year.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**10. Other Post Employment Benefits**

As permitted by Louisiana Revised Statute 17:1223, the School Board provides certain continuing health care and life insurance benefits for certain retired employees through the State group insurance plan, an agent multiple employer defined benefit plan. These benefits if they reach normal retirement age, as defined under the applicable retirement system (see Note 9), while working for the School Board. Currently the Ouachita Parish School Board's post employment benefits plan provides employees with a choice of participation in one of four medical insurance plans, each with varying benefits: preferred provider organization (PPO), exclusive provider organization (EPO), or health maintenance organization (HMO). LSA-R.S. 42:801 – 859 assigns the authority to establish benefit plans and premium rates and negotiate contracts to the Office of Group Benefits under the direction of the Commissioner of Administration. The Office of Group Benefits issues a separate financial report which may be obtained by contacting them at:

Office of Group Benefits  
State of Louisiana  
P.O. Box 44036  
Baton Rouge, LA 70804  
Phone: (800)215-1093  
Website: [www.groupbenefits.org](http://www.groupbenefits.org)

The School Board recognizes the cost of providing these benefits (the School Board's portion of premiums) as an expenditure in the Governmental Funds when the monthly premiums are due. The cost of retiree benefits totaled \$4,802,940 during fiscal 2008; approximately 954 retirees receive benefits under this plan.

In the Government-wide Financial Statements in accordance with GASB 45 starting with the 2008 fiscal year, the cost of health care and life insurance benefits for active employees is expensed when earned. The liability for health care and life insurance for active and retired employees previously earned benefits has been calculated and will be amortized over 30 years. The normal costs and the accrued liability for previously earned benefits are based on the following data and assumptions:

**Mortality Rate**

The mortality rate was determined by using the RP-2000 Static Healthy Mortality Table (sex distinct) with floating AA projections with the following assumptions:



**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**10. Other Post Employment Benefits (continued)**

1. Employee mortality is projected to valuation plus 15 years
2. Annuitant mortality is projected to valuation plus 7 years

**Investment Return Assumption (Discount Rate) and Inflation Rate**

While GASB 45 allocates the costs of a postretirement benefit plan over the years of active employment (when the promise of future benefits is potentially motivating an employee), it does not require the funding of such benefits. There are two key points that need to be noted in this regard. First, the choice of the discount rate used in measuring the liabilities of the benefits is tied to the funding vehicle or lack thereof. GASB 45 requires the use of a discount rate for an unfunded plan equal to what the sponsor earns on its general assets. Since a lower discount rate leads to higher liabilities, a funded plan will have lower liabilities than an unfunded plan with identical provisions and membership. Since it is anticipated that the annual required contribution will not be funded, a 4% annual investment return is assumed in the actuarial evaluation which represents a reasonable estimate of short-term pooled funds.

**Amortization Method and Period**

The level dollar closed amortization method has been used. An amortization period of 30 years has been used for the medical benefits and for the life insurance benefits. The valuation used the closed group method, under which future entrants are not considered.

**Healthcare Cost Trend Rate**

In the absence of readily available cost trend data from the Office of Group Benefits, the expected rate of increase in healthcare insurance premiums is based on an understanding of the plan and *Milliman's Health Cost Guidelines*. The assumed annual per capita cost of medical and pharmacy benefits for select ages are illustrated below. These are gross amounts prior to reduction for any retiree contributions.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**10. Other Post Employment Benefits (continued)**

**PPO**

**Medicare Eligible**

|         | <b>Retiree<br/><u>Only</u></b> | <b>Retiree<br/>&amp; Spouse</b> |
|---------|--------------------------------|---------------------------------|
| Pre-65  | \$11,676                       | \$20,617                        |
| Post-65 | \$3,797                        | \$6,825                         |

**Not Medicare Eligible**

|         | <b>Retiree<br/><u>Only</u></b> | <b>Retiree<br/>&amp; Spouse</b> |
|---------|--------------------------------|---------------------------------|
| Pre-65  | \$11,676                       | \$20,617                        |
| Post-65 | \$11,676                       | \$14,704                        |

**EPO**

|         | <b>Retiree<br/><u>Only</u></b> | <b>Retiree<br/>&amp; Spouse</b> |
|---------|--------------------------------|---------------------------------|
| Pre-65  | \$12,143                       | \$21,442                        |
| Post-65 | \$3,948                        | \$7,097                         |

**HMO**

|         | <b>Retiree<br/><u>Only</u></b> | <b>Retiree<br/>&amp; Spouse</b> |
|---------|--------------------------------|---------------------------------|
| Pre-65  | \$11,209                       | \$19,792                        |
| Post-65 | \$3,645                        | \$6,552                         |

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**10. Other Post Employment Benefits (continued)**

**Medical Inflation (Trend Assumption)**

The trend assumptions for medical and pharmacy costs and retiree premiums are summarized below:

| <u>Year</u>      | <u>Trend</u>        |                      |
|------------------|---------------------|----------------------|
|                  | <u>Pre-Medicare</u> | <u>Post-Medicare</u> |
| 2008             | 10.75%              | 9.00%                |
| 2009             | 10.50%              | 8.75%                |
| 2010             | 10.25%              | 8.50%                |
| 2011             | 9.50%               | 8.25%                |
| 2012             | 8.50%               | 7.75%                |
| 2013             | 7.50%               | 7.25%                |
| 2014             | 6.50%               | 6.50%                |
| 2015             | 5.50%               | 5.75%                |
| 2016 and ongoing | 5.00%               | 5.00%                |

**Life Insurance**

- Life insurance amount for retirees – as provided in data
- Life insurance amount for future retirees - \$30,000 assumed
- Employee contributions - \$171.12, decreasing to \$132.48 at age 65, decreasing to \$80.64 at age 70. Contributions assumed to increase 3.2% per year

**Withdrawal Rates**

The following service related sample withdrawal rates are shown below:

| <u>Age</u> | <u>Males</u> | <u>Females</u> |
|------------|--------------|----------------|
| 25         | 7.0%         | 7.0%           |
| 30         | 8.0%         | 8.0%           |
| 35         | 6.0%         | 6.0%           |
| 40         | 3.0%         | 3.0%           |
| 45         | 2.0%         | 2.0%           |
| 50         | 2.0%         | 2.0%           |

The rate of withdrawal is multiplied by 1.25 for the year first of employment.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**10. Other Post Employment Benefits (continued)**

**Disability Rates**

The following service related sample disability rates are shown below:

| <u>Age</u> | <u>Male</u> | <u>Female</u> |
|------------|-------------|---------------|
| 25         | 0.01%       | 0.01%         |
| 30         | 0.03%       | 0.03%         |
| 35         | 0.06%       | 0.06%         |
| 40         | 0.10%       | 0.10%         |
| 45         | 0.18%       | 0.18%         |
| 50         | 0.24%       | 0.24%         |
| 55         | 0.47%       | 0.47%         |

**Retirement Rate**

It is assumed that entitlement to benefits will commence at the expected retirement date (that is, the date at which the eligible employee will actually retire) under the pension plan which covers employees. It is assumed that this retirement date is three years later that the earliest date at which the employee is eligible for regular retirement benefits. That "regular retirement" date is defined as the earliest of the following:

- 30 years of service credit at any age; or
- 25 years of service credit at age 55; or
- 5 years of service credit at age 60.
- 20 years of service at any age – early retirement

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**10. Other Post Employment Benefits (continued)**

The assumed percent of employees reaching retirement are as follows:

**Retirement Rates**

| <u>Age</u> | <u>Male</u> | <u>Female</u> |
|------------|-------------|---------------|
| 38         | 5.0%        | 5.0%          |
| 39         | 6.0%        | 6.0%          |
| 40         | 4.0%        | 4.0%          |
| 45         | 3.0%        | 3.0%          |
| 50         | 3.0%        | 3.0%          |
| 55         | 10.3%       | 10.3%         |
| 60         | 27.7%       | 27.7%         |
| 65         | 33.0%       | 33.0%         |
| 70         | 38.3%       | 38.3%         |
| 71         | 38.5%       | 38.5%         |
| 72         | 100.0%      | 100.0%        |

**Actuarial Methods and Assumptions**

The amount of the current employer portion of the healthcare premiums for retiree coverage has been used as the basis for calculating the actuarial present value of benefits to be paid; the Office of Group Benefits' "*Official Schedule of Rates*" effective July 1, 2007 has been used for this purpose. It has been assumed 100 % of employees who elect coverage while in active employment and who are eligible for retiree medical benefits will continue the same medical coverage in retirement. It is assumed that 40% of members electing coverage will also elect coverage for a spouse. Females are assumed to be three years younger than males.

**Actuarial Cost Method**

The actuarial cost method determines, in a systematic way, the incidence of plan sponsor contributions required to provide plan benefits. It also determines how actuarial gains and losses are recognized in OPEB costs. These gains and losses result from the difference between the actual experience under the plan and what was anticipated by the actuarial assumptions.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**10. Other Post Employment Benefits (continued)**

The cost of the Plan is derived by making certain specific assumptions as to rates of interest, mortality, turnover, etc. which are assumed to hold for many years into the future. Since actual experience may differ somewhat from the long term assumptions, the costs determined by the valuation must be regarded as estimates of the true costs of the Plan.

Actuarial liabilities and comparative costs were computed using the unit credit actuarial cost method, which consists of the following cost components:

1. The normal cost is the actuarial present value of benefits allocated to the evaluation year.
2. The actuarial accrued liability is the actuarial present value of benefits accrued as of the valuation date.
3. Valuation assets are equal to the market value of assets as of the valuation date, if any.
4. Unfunded actuarial accrued liability is the difference between the actuarial accrued liability and the valuation assets. It is amortized over the maximum permissible period under GASB 45 of 30 years.

It should be noted that GASB 45 allows a variety of cost methods to be used. This method was selected because it is generally easy to understand and is widely used for the valuation of post employment benefits other than pensions.

**Actuarial Value of Plan Assets**

Actuarial value of assets is the value of cash, investments, and other property belonging to the plan, as used by the actuary for the purpose of an actuarial valuation. Since this is the first actuarial valuation, there are not any assets to be actuarially valued; however, it is anticipated that future valuations of actuarial assets will be based on Actuarial Standards Board Actuarial Standard of Practice Number 6, *Measuring Retiree Group Benefit Obligations*, which is applicable to post employment benefits plans and generally requires valuing dedicated plan assets using a method that takes into account market value.

**Actuarial Methods and Assumptions**

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) healthcare

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**10. Other Post Employment Benefits (continued)**

cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actuarial results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plans (the plans as understood by the Ouachita Parish School Board Fund and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the Ouachita Parish School Board and its plans members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effect of legal or contractual funding limitation on the pattern of cost sharing between the Ouachita Parish School Board and plan members in the future. Consistent with the long-term perspective of actuarial calculation, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The following table shows the Ouachita Parish School Board's annual post employment benefits cost, percentage of that cost contributed and the net unfunded post employment benefits liability:

| <u>Fiscal<br/>Year<br/>Ended</u> | <u>Annual<br/>Post Employment<br/>Benefits Cost</u> | <u>Percentage of<br/>Annual Cost<br/>Contributed</u> | <u>Net Unfunded<br/>Post Employment<br/>Benefits Liability</u> |
|----------------------------------|---|--|--|
| 6/30/08                          | \$25,522,412  | 20.4%  | \$20,305,488   |

**Funded Status and Funding Progress**

In 2008 the Ouachita Parish School Board made no contribution to a post employment benefits plan trust since such a trust had not been established. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of June 30, 2008 the first and most recent actuarial valuation, the actuarial accrued liability was \$20,305,488, which is defined as that portion, as determined by a particular actuarial cost method (the Ouachita Parish School Board used the Unit Credit Cost method), of an actuarial present value of a post employment plan benefits and expenses which is not provided by normal cost (i.e. the cost of the actuarial present value of post employment benefits for active employees from their hire date through June 30, 2008, and for retired employees from their hire date through their date of retirement). Since the plan was not funded in 2008, the entire actuarial accrued liability of \$20,305,488 was unfunded. The annual payroll of active employees covered by the plan, called the covered payroll, was

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**10. Other Post Employment Benefits (continued)**

\$114,612,602 in 2008; the ratio of the unfunded actuarial accrued liability to the covered payroll was 17.7%. (Salaries are not used to determine either medical or life post employment benefits).

**Annual Post Employment Benefits Cost and Net Post Employment Benefits Liability**

The table below shows the Ouachita Parish School Board's annual post employment benefits for the year ended June 30, 2008, and changes in the unfunded post employment benefits liability:

|  |                     |
|--|---------------------|
| Normal Cost  | \$11,835,999        |
| 30-year actuarial accrued liability<br>amortization of medical and<br>life insurance | <u>13,686,413</u>   |
| Annual required contribution (ARC)   | 25,522,412          |
| Interest on prior year net post employment<br>benefits liability                     | -0-                 |
| Adjustments to the annual required<br>contribution                                   | <u>-0-</u>          |
| Annual post employment benefits expense  | 25,522,412          |
| Contributions made   | <u>(5,216,924)</u>  |
| Increase in unfunded post employment<br>benefits liability                           | 20,305,488          |
| Unfunded post employment<br>liability – July 1, 2007                                 | <u>-0-</u>          |
| Unfunded post employment benefits<br>liability –June 30, 2008                        | <u>\$20,305,488</u> |

**Required Contribution Rates**

As determined by the Office of Group Benefits and approved by the Louisiana Legislature, the employer paid 75% of the premium cost for post employment benefits for retired employees and their families, and the retirees paid 25% of the premium cost; monthly premium cost for retired employees ranged from \$76 for a single retiree over the age 65 in the HMO plan to \$493 for a



**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**10. Other Post Employment Benefits (continued)**

retiree and spouse under the age of 65 in the EPO plan. Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits.

The Ouachita Parish School Board's annual medical and life post employment benefits cost (expense) is calculated based on the annual required contribution of the employer, and amount actuarially determined in accordance with the parameters of GASB Statement Number 45. The Ouachita Parish School Board's annual required contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize the unfunded actuarial liability (or funding excess) over a period of thirty (30) years for health and life insurance. The total net annual required contribution for the year ended June 30, 2008, is \$25,522,412, none of which was funded in 2008 because the trust had not been established. The total unfunded post employment benefits liability at June 30, 2008 was \$231,448,794.

**Funding Policy**

Currently, there are no requirements for employers to contribute to their post employment benefits plans. In 2007-08, the Ouachita Parish School Board recognized the cost of providing these benefits (the Ouachita Parish School Board's portion of premiums) as an expense when the benefits premiums were due and thus financed the cost of post employment benefits on a pay-as-you-go basis. It implemented Governmental Accounting Standards Board Statement Number 45, Accounting and Financial Reporting by employers for Post employment Benefits Other than Pension (GASB Statement 45), prospectively in 2007-08 and at that time began to record its portion of premiums as an expense during the period of active service by the employee (normal cost). In 2008 and 2007, the Ouachita Parish School Board's portion of health care and life insurance benefit premium, for both active and retired employees totaled \$15,939,746 and \$14,722,308, respectively. The School Board at this time does not plan to fund the post employment liability other than the monthly health and life insurance premiums as they become due.

**Concentration of Credit Risk**

The Ouachita Parish School Board's principal source of revenues, consist mainly of the Minimum Foundation Program (MFP) funding from the State of Louisiana and local ad valorem and sales taxes. If the amount of these revenues fall below budgeted levels, the Ouachita Parish School Board operation results could be adversely affected.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**11. Deferred Compensation Plan**

The School Board offers a deferred compensation plan for employees under the provisions of Internal Revenue Service Code 457 (Deferred Compensation Plan).

Part-time and substitute employees are required to contribute 7.5% of their compensation to the Deferred Compensation Plan. Full-time employees may voluntarily make contributions to the Deferred Compensation Plan. The School Board does not contribute to the Deferred Compensation Plan. At June 30, 2008, the Plan had assets with an approximate market value of \$1,362,359. The assets in the Plan are held in trust solely for the benefit of participants and their beneficiaries. Therefore, in accordance with GASB Statement No. 32 they are not reported in the School Board's financial statements.

**12. Agency Fund Deposits Due Others (FFS level only)**

A summary of changes in agency fund deposits due others follows:

|                                    | <b>Balance<br/>July 1,<br/>2007</b> | <b>Additions</b>    | <b>Deletions</b>      | <b>Balance<br/>June 30,<br/>2008</b> |
|------------------------------------|-------------------------------------|---------------------|-----------------------|--------------------------------------|
| Agency Funds:                      |                                     |                     |                       |                                      |
| School Activity                    | \$3,122,635                         | \$10,614,338        | (\$10,275,677)        | \$3,461,296                          |
| Migrant Funds of<br>Other Parishes | -                                   | 47,532              | (47,532)              | -                                    |
| <b>Total</b>                       | <b>\$3,122,635</b>                  | <b>\$10,661,870</b> | <b>(\$10,323,209)</b> | <b>\$3,461,296</b>                   |

**13. General Long-Term Obligations**

The general obligation bonds are obligations of East Ouachita Bond District, with maturities from 2008 to 2032 and interest rates from 3.25% to 7.00%. General obligation bonds' principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the respective taxing districts. In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term general obligation bonded debt in excess of 35% of the total assessed value of all property in the taxing district. At June 30, 2008, the statutory limit and debt margins are as follows:

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**13. General Long-Term Obligations (continued)**

|   | <u>East<br/>Ouachita<br/>Bond</u> |
|---|-----------------------------------|
| Assessed Value                          | <u>\$203,065,511</u>              |
| 35% of assessed value                   | \$71,072,929                      |
| Outstanding General<br>Obligation Bonds | <u>(55,520,000)</u>               |
| Debt Margin                             | <u>\$15,552,929</u>               |

The following shows the changes in general obligation bonds, revenue bonds, and limited tax certificates of indebtedness:

| Original Issue                                 | Outstanding<br>July 1,<br>2007 | Borrowings        | Payments           | Outstanding<br>June 30,<br>2008 | Interest<br>Rate On<br>Unpaid<br>Debt | Total<br>Future<br>Interest |
|--|--------------------------------|-------------------|--------------------|---------------------------------|---------------------------------------|-----------------------------|
| <b>General obligation bonds:</b>               |                                |                   |                    |                                 |                                       |                             |
| 4.5%-6.0% issued 3/1/99;<br>due 2008-2024      | \$1,805,000                    | -                 | (\$880,000)        | \$925,000                       | 6.0%-<br>6.1%                         | \$55,500                    |
| 5.2%-7.0% issued 3/1/00;<br>due 2008-2025      | 1,365,000                      | -                 | (430,000)          | 935,000                         | 5.2%-<br>7.0%                         | 73,808                      |
| 3.0%-4.5% issued 4/26/05;<br>due 2008-2025     | 12,390,000                     | -                 | (85,000)           | 12,305,000                      | 3.25%-<br>4.5%                        | 5,576,825                   |
| 3.625%-4.750% issued 3/14/06;<br>due 2008-2024 | 21,675,000                     | -                 | (75,000)           | 21,600,000                      | 3.625%-<br>4.75%                      | 8,943,150                   |
| 3.75%-6.0% issued 10/1/07;<br>due 2008-2032    | -                              | 10,000,000        | (245,000)          | 9,755,000                       | 3.75%-<br>6.0%                        | 5,907,382                   |
| 4.0%-6.0% issued 1/1/08;<br>due 2008-2032      | -                              | 10,000,000        | -                  | 10,000,000                      | 4.00%-<br>6.0%                        | 6,280,615                   |
| Deferred amount of refunding                   | (534,291)                      | -                 | 225,599            | (308,692)                       | -                                     | -                           |
| Unamortized bond discount                      | (56,654)                       | -                 | 28,328             | (28,326)                        | -                                     | -                           |
| <b>Total general obligation bonds</b>          | <b>36,644,055</b>              | <b>20,000,000</b> | <b>(1,461,073)</b> | <b>55,182,982</b>               |                                       | <b>26,837,280</b>           |

(continued)

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**13. General Long-Term Obligations (continued)**

| Original Issue  | Outstanding<br>July 1,<br>2007 | Borrowings          | Payments             | Outstanding<br>June 30,<br>2008 | Interest<br>Rate On<br>Unpaid<br>Debt | Total<br>Future<br>Interest |
|---|--------------------------------|---------------------|----------------------|---------------------------------|---------------------------------------|-----------------------------|
| <b>Revenue bonds:</b>                                       |                                |                     |                      |                                 |                                       |                             |
| 4.25 %-7.0% issued 9/1/98;<br>due 2008-2023                 | 20,125,000                     | -                   | (760,000)            | 19,365,000                      | 4.3%-<br>4.875%                       | 8,452,512                   |
| 4.5 %-6.0% issued 4/1/99;<br>due 2008-2023                  | 16,215,000                     | -                   | (675,000)            | 15,540,000                      | 4.5%-<br>6.0%                         | 6,821,873                   |
| 4.1%-7.0% issued 3/1/01;<br>due 2008-2024                   | 6,890,000                      | -                   | (215,000)            | 6,675,000                       | 4.1%-<br>7.0%                         | 3,375,670                   |
| 4.9%-5.75% issued 9/1/00;<br>due 2008-2024                  | 1,150,000                      | -                   | (265,000)            | 885,000                         | 5.75%                                 | 78,056                      |
| 5.25%-7.0% issued 3/01/02;<br>due 2008-2024                 | 2,785,000                      | -                   | (50,000)             | 2,735,000                       | 5.25%-<br>7.0%                        | 2,005,025                   |
| 3.75%-4.15% issued 3/14/06;<br>due 2008-2024                | 8,260,000                      | -                   | (50,000)             | 8,210,000                       | 3.75%-<br>4.15%                       | 3,614,929                   |
| 4.0%-6.0% issued 10/01/07;<br>due 2008-2025                 | -                              | 11,950,000          | -                    | 11,950,000                      | 4.0%-<br>6.0%                         | 4,682,307                   |
| Deferred amount of refunding                                | (338,381)                      | -                   | 112,793              | (225,588)                       | -                                     | -                           |
| Unamortized bond discount                                   | (1,004)                        | -                   | 335                  | (669)                           | -                                     | -                           |
| <b>Total revenue bonds</b>                                  | <b>55,085,615</b>              | <b>11,950,000</b>   | <b>(1,901,872)</b>   | <b>65,133,743</b>               |                                       | <b>29,030,372</b>           |
| <b>Limited Tax Certificates:</b>                            |                                |                     |                      |                                 |                                       |                             |
| 3.5%-4.4% issued 3-1-02;<br>due 2007-2012                   | \$3,915,000                    | \$ -                | (\$710,000)          | \$3,205,000                     | 4.0%-<br>4.4%                         | \$353,391                   |
| 3.0%-3.7% issued 3-28-03;<br>due 2007-2012                  | 5,490,000                      | -                   | (990,000)            | 4,500,000                       | 3.0%-<br>3.7%                         | 410,945                     |
| <b>Total limited tax certificates of<br/>indebtedness</b>   | <b>9,405,000</b>               | <b>-</b>            | <b>(1,700,000)</b>   | <b>7,705,000</b>                |                                       | <b>764,336</b>              |
| <b>Total all bonds and certificates of<br/>indebtedness</b> | <b>\$101,134,670</b>           | <b>\$31,950,000</b> | <b>(\$5,062,945)</b> | <b>\$128,021,725</b>            |                                       | <b>\$56,631,988</b>         |

(concluded)

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**13. General Long-Term Obligations (continued)**

Principal and interest are due in total, to maturity, as follows:

| <b>Year Ended<br/>June 30</b> | <b>Principal<br/>Payments</b> | <b>Interest<br/>Payments</b> | <b>Total</b>                |
|-------------------------------|-------------------------------|------------------------------|-----------------------------|
| 2009                          | \$6,335,000                   | \$5,694,734                  | \$12,029,734                |
| 2010                          | 6,665,000                     | 5,306,508                    | 11,971,508                  |
| 2011                          | 6,985,000                     | 5,009,908                    | 11,994,908                  |
| 2012                          | 7,315,000                     | 4,714,618                    | 12,029,618                  |
| 2013                          | 5,475,000                     | 4,404,843                    | 9,879,843                   |
| 2014-2018                     | 31,475,000                    | 18,110,912                   | 49,585,912                  |
| 2019-2023                     | 39,470,000                    | 10,400,459                   | 49,870,459                  |
| 2024-2028                     | 19,740,000                    | 2,440,272                    | 22,180,272                  |
| 2029-2032                     | 5,125,000                     | 549,734                      | 5,674,734                   |
| <b>Total</b>                  | <b><u>\$128,585,000</u></b>   | <b><u>\$56,631,988</u></b>   | <b><u>\$185,216,988</u></b> |

The following is a summary of governmental activities long-term obligation transactions for the year ended June 30, 2008:

| <b>Long-term<br/>Obligations</b>           | <b>Balance<br/>June 30,<br/>2007</b> | <b>Additions</b>           | <b>Deductions</b>            | <b>Balance<br/>June 30,<br/>2008</b> | <b>Amounts<br/>Due<br/>Within One<br/>Year</b> |
|--|--------------------------------------|----------------------------|------------------------------|--------------------------------------|--|
| Claims liability                           | \$868,409                            | \$1,688,070                | (\$1,251,448)                | \$1,305,031                          | \$326,258                                      |
| Compensated<br>absences                    | 5,433,048                            | 1,031,581                  | (241,117)                    | 6,223,512                            | 250,000  |
| Other post<br>employment<br>benefits - *   | -                                    | 25,522,412                 | (5,216,924)                  | 20,305,488                           | -  |
| Bonded<br>debt/limited<br>tax certificates | 101,134,670                          | 31,950,000                 | (5,062,945)                  | 128,021,725                          | 5,967,947                                      |
| Other                                      | 293,517                              | 241,341                    | (269,540)                    | 265,318                              | 254,062  |
| <b>Total</b>                               | <b><u>\$107,729,644</u></b>          | <b><u>\$60,433,404</u></b> | <b><u>(\$12,041,974)</u></b> | <b><u>\$156,121,074</u></b>          | <b><u>\$6,798,267</u></b>                      |

Other long-term obligations at June 30, 2008, consist of bond premiums of \$23,977 and retainage payable of \$241,341.

\* - GASB 45 - Other post employment benefits was implemented in 2007-08.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**13. General Long-Term Obligations (continued)**

The following is a summary of governmental activities bond discount transactions for the year ended June 30, 2008:

|  |                 |
|--|-----------------|
| Bond discount outstanding, July 1, 2007  | \$57,658        |
| Additions                                | -               |
| Deductions                               | <u>(28,663)</u> |
| Bond discount outstanding, June 30, 2008 | <u>\$28,995</u> |

Payments on the general obligation bonds payable that pertain to the School Board's governmental activities are made by the East Ouachita Bond Debt Service Fund. Payments on the revenue bonds payable and the tax liability certificates of indebtedness that pertain to the School Board's governmental activities are funded by transfers from the West Ouachita Sales Tax Special Revenue Fund to the West Ouachita Bond No. 2 Debt Service Fund. The compensated absences liability attributable to the governmental activities will be liquidated by the School Board's General Fund. The School Board does not have plans to place funds in an irrevocable trust to liquidate the other post employment benefits liability. The School board plans to continue on a pay-as-you go basis for OPEB benefits.

**14. Interfund Assets/Liabilities (FFS level only)**

Individual balances due from/to other funds at June 30, 2008 were as follows:

|                        | <u>Due To<br/>Other<br/>Funds</u> | <u>Due From<br/>Other<br/>Funds</u> |
|------------------------|-----------------------------------|-------------------------------------|
| <b>Major Funds:</b>    |                                   |                                     |
| General Fund           | \$ -                              | \$3,286,891                         |
| <b>Nonmajor Funds:</b> |                                   |                                     |
| Special Revenue Funds: |                                   |                                     |
| Title I Programs:      |                                   |                                     |
| Deficit cash balances  | 564,336                           |                                     |
| Indirect cost          | <u>55,221</u>                     |                                     |
| Total Title I Programs | <u>619,557</u>                    |                                     |

(continued)

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (continued)  
Fiscal Year Ended June 30, 2008**

**14. Interfund Assets/Liabilities (FFS level only) (continued)**

|                                | <u>Due To<br/>Other<br/>Funds</u> | <u>Due From<br/>Other<br/>Funds</u> |
|--------------------------------|-----------------------------------|-------------------------------------|
| Special Education IDEA B:      |                                   |                                     |
| Deficit cash balances          | 411,941                           |                                     |
| Indirect cost                  | <u>36,232</u>                     |                                     |
| Total Special Education IDEA-B | <u>448,173</u>                    |                                     |
| Other Federal Programs:        |                                   |                                     |
| Deficit cash balance           | 512,442                           |                                     |
| Indirect cost                  | <u>40,920</u>                     |                                     |
| Total Other Federal Programs   | <u>553,362</u>                    |                                     |
| State Grants:                  |                                   |                                     |
| Deficit cash balances          | 1,216,209                         |                                     |
| Indirect cost                  | <u>3,423</u>                      |                                     |
| Total State Grants             | <u>1,219,632</u>                  |                                     |
| School Food Services:          |                                   |                                     |
| Deficit cash balances          | <u>446,167</u>                    |                                     |
| Total                          | <u>\$3,286,891</u>                | <u>\$3,286,891</u><br>(concluded)   |

The balances due for cash deficits are due to not receiving reimbursement by year end from the grantor for reimbursement type grants. The General Fund pays for the expenditure for the grant fund until the reimbursement is received. Indirect cost balances represent the outstanding indirect cost payments due to the General Fund for outstanding grant requests for funds filed but not received from grantors by year end. All interfund transactions at year end will be completed during the 2008-09 fiscal year.

**15. Litigation and Contingencies**

The School Board is a defendant in several lawsuits. Management for the School Board believes that the potential claims against the School Board not covered by insurance have been adequately accrued at June 30, 2008.

As more fully described in Note 1.R., the School Board is exposed to various risks through its self insurance plan for damage to property from natural disasters, fire and errors and omissions.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to the Basic Financial Statements (concluded)  
Fiscal Year Ended June 30, 2008**

**16. Interfund Transfers (FFS level only)**

Transfers to/from other Governmental Funds for the year ended June 30, 2008 were as follows

|                             | <u>Transfers<br/>In</u> | <u>Transfers<br/>Out</u> |
|-----------------------------|-------------------------|--------------------------|
| <b>Major Funds:</b>         |                         |                          |
| General Fund                | \$ -                    | \$1,282,878              |
| District #1 Sales Tax       | 250,000                 | -                        |
| <b>Nonmajor Funds:</b>      |                         |                          |
| Special Revenue Funds:      |                         |                          |
| West Ouachita Sales Tax     | -                       | 6,830,233                |
| Air Conditioning Redemption | 1,000,000               |                          |
| State Grants                | 32,878                  | -                        |
| Debt Service Funds:         |                         |                          |
| West Ouachita Bond No. 2    | 6,830,233               | -                        |
| <b>Total</b>                | <u>\$8,113,111</u>      | <u>\$8,113,111</u>       |

Transfers totaling \$6,830,233 were made from the West Ouachita Sales Tax Special Revenue Fund to the West Ouachita Bond No. 2 Debt Service Fund as principal and interest payments became due. Transfers were made from the General Fund to supplement State Grants totaling \$32,878 for Special Education and Gifted and Talented programs. The General Fund also transferred \$1,000,000 to the Air Conditioning Redemption Special Revenue Fund to fund the account for future major air conditioning repairs. Transfers of \$250,000 were made from the General Fund to the District #1 Sales Tax Fund to supplement repairs and small renovations.

**17. Subsequent Events**

On July 21, 2007 the citizens of East Ouachita Bond District voted to authorize the issuance of \$29,785,000 of general obligation bonds to construct two new schools and to make renovations to the schools in the East Ouachita Bond District. The School Board sold \$20 million of the \$29.785 million general obligation bonds during 2007-08. The School Board sold the remaining \$9,785,000 of general obligation bonds on December 2, 2008, at an interest rate of 4.67 percent. Prior to selling the bonds, the rating agency increased the East Ouachita Bond District's bond rating from an A- to an AA-.





**COMMITTED**  
*to Academic Excellence  
for ALL Students!*

*Our Mission:  
Through collaboration  
among all stakeholders, the  
Ouachita Parish School System  
will ensure that all students attain  
the knowledge and skills needed  
to be productive citizens.*

**Ouachita Parish School Board  
Monroe, Louisiana**

**Fiscal Year Ended June 30, 2008**

**REQUIRED SUPPLEMENTAL  
INFORMATION  
(PART B)**

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**Ouachita Parish School Board  
Monroe, Louisiana**

**Budgetary Comparison Schedule  
Fiscal Year Ended June 30, 2008**

**General Fund and Major Special Revenue Funds With Legally Adopted Budgets**

**General Fund**

The General Fund accounts for all activities of the School Board except for those that are accounted for in other funds.

**Special Revenue Funds**

Special Revenue Funds account for the proceeds of specific revenue sources (other than capital projects) that are legally restricted to expenditures for specific purposes. These funds, for the most part, are established for specific educational purposes and funded through the U. S. Department of Education or the Louisiana State Department of Education. The School Board is centrally located in Northeast Louisiana and acts as a regional fiscal agent for the State Department of Education for many educational programs.

**District #1 Sales Tax Fund**

The District #1 Sales Tax Fund collects, records and disburses funds related to the .5% sales tax renewed in October 2001 for 10 years to provide additional support for the school system. The School Board designated the tax for capital improvements and facility and equipment support—38%, classroom instruction—36%, mandated costs—14%, and salary restoration—12%.

**Ouachita Parish School Board  
Monroe, Louisiana**

**General Fund  
Budgetary Comparison Schedule (Non-GAAP Basis)**

**Fiscal Year Ended June 30, 2008**

|   | <u>Budgeted Amounts</u>    |                         | <u>Actual<br/>Amounts<br/>(Budgetary<br/>Basis)</u> | <u>Variance With<br/>Final Budget</u> |
|---|----------------------------|-------------------------|---|---------------------------------------|
|   | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> |   |                                       |
| Budgetary fund balance at beginning of year | \$ 21,282,789              | \$ 21,282,789           | \$ 21,282,789                                       | \$ -                                  |
| <b>Resources (Inflows)</b>                  |                            |                         |   |                                       |
| Local sources:                              |                            |                         |   |                                       |
| Ad valorem taxes:                           |                            |                         |   |                                       |
| Constitutional tax                          | 2,045,000                  | 2,045,000               | 2,192,430   | 147,430                               |
| Renewable tax                               | 9,531,500                  | 9,531,500               | 10,221,432  | 689,932                               |
| Other than school taxes                     | 418,256                    | 418,256                 | 453,566   | 35,310                                |
| Earnings on investments                     | 1,500,000                  | 1,500,000               | 1,516,515   | 16,515                                |
| Other local revenue                         | 1,755,900                  | 1,869,500               | 2,350,934   | 481,434                               |
| Total local sources                         | 15,250,656                 | 15,364,256              | 16,734,877  | 1,370,621                             |
| State and federal sources:                  |                            |                         |   |                                       |
| State equalization                          | 103,516,877                | 104,920,815             | 104,920,816   | 1                                     |
| State revenue sharing                       | 772,500                    | 765,600                 | 824,137   | 58,537                                |
| Professional Improvement Program            | 340,000                    | 341,377                 | 370,052   | 28,675                                |
| Restricted grants-in-aid                    | 600,000                    | 948,050                 | 1,126,761   | 178,711                               |
| State contribution for teacher retirement   | 50,000                     | 44,560                  | 50,405  | 5,845                                 |
| Total state and federal sources             | 105,279,377                | 107,020,402             | 107,292,171   | 271,769                               |
| Other financing sources:                    |                            |                         |   |                                       |
| Proceeds from sale of assets                | 5,000                      | 12,120                  | 14,826  | 2,706                                 |
| Transfers in                                | 1,179,650                  | 4,302,863               | 913,348   | (3,389,515)                           |
| Total other financing sources               | 1,184,650                  | 4,314,983               | 928,174   | (3,386,809)                           |
| Amounts available for appropriations        | 142,997,472                | 147,982,430             | 146,238,011   | (1,744,419)                           |

(Continued)

See accompanying notes to the budgetary comparison schedules.

**Ouachita Parish School Board  
Monroe, Louisiana**

**General Fund  
Budgetary Comparison Schedule (Non-GAAP Basis)**

**Fiscal Year Ended June 30, 2008**

|   | <u>Budgeted Amounts</u>    |                         | <u>Actual<br/>Amounts<br/>(Budgetary<br/>Basis)</u> | <u>Variance With<br/>Final Budget</u> |
|---|----------------------------|-------------------------|---|---------------------------------------|
|   | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> |   |                                       |
| <b>Charges to appropriations (outflows)</b> |                            |                         |   |                                       |
| Current:                                    |                            |                         |   |                                       |
| Instructional services:                     |                            |                         |   |                                       |
| Regular programs:                           |                            |                         |   |                                       |
| Salaries:                                   |                            |                         |   |                                       |
| Kindergarten teachers                       | \$ 2,217,020               | \$ 2,936,132            | \$ 2,899,523  | \$ 36,609                             |
| Elementary teachers                         | 28,546,950                 | 24,440,465              | 24,243,280  | 197,185                               |
| Secondary teachers                          | 11,710,586                 | 12,664,806              | 12,474,670  | 190,136                               |
| Aides                                       | 213,450                    | 282,750                 | 268,269   | 14,481                                |
| Substitute teachers                         | 728,800                    | 979,700                 | 1,064,854   | (85,154)                              |
| Sabbatical leave                            | 395,000                    | 512,125                 | 489,576   | 22,549                                |
| Instructional supplies                      | 663,777                    | 713,714                 | 756,798   | (43,084)                              |
| Textbooks                                   | 1,460,000                  | 1,458,500               | 1,421,573   | 36,927                                |
| Employee benefits                           | 19,433,060                 | 18,774,690              | 15,713,549  | 3,061,141                             |
| Other expenditures                          | 486,215                    | 487,823                 | 418,133   | 69,690                                |
| <b>Total regular programs</b>               | <b>65,854,858</b>          | <b>63,250,705</b>       | <b>59,750,225</b>                                   | <b>3,500,480</b>                      |
| Special education programs                  |                            |                         |   |                                       |
| Salaries:                                   |                            |                         |   |                                       |
| Teachers                                    | 6,849,526                  | 8,400,076               | 8,289,139   | 110,937                               |
| Aides                                       | 2,048,500                  | 2,325,000               | 2,323,082   | 1,918                                 |
| Sabbatical leave                            | 26,400                     | 142,000                 | 150,938   | (8,938)                               |
| Employee benefits                           | 2,824,650                  | 3,465,585               | 4,201,280   | (735,695)                             |
| Other expenditures                          | 365,000                    | 374,500                 | 132,217   | 242,283                               |
| <b>Total special education programs</b>     | <b>11,914,076</b>          | <b>14,707,161</b>       | <b>15,096,656</b>                                   | <b>(389,495)</b>                      |
| Vocational programs:                        |                            |                         |   |                                       |
| Salaries                                    | 589,377                    | 790,002                 | 778,016   | 11,986                                |
| Materials and supplies                      | 2,700                      | 2,700                   | 2,628   | 74                                    |
| Employee benefits                           | 188,650                    | 237,650                 | 294,853   | (57,203)                              |
| Other expenditures                          | 6,500                      | 5,500                   | 3,542   | 1,958                                 |
| <b>Total vocational programs</b>            | <b>787,127</b>             | <b>1,035,852</b>        | <b>1,079,037</b>                                    | <b>(43,185)</b>                       |

(Continued)

See accompanying notes to the budgetary comparison schedules.

**Ouachita Parish School Board  
Monroe, Louisiana**

**General Fund  
Budgetary Comparison Schedule (Non-GAAP Basis)**

**Fiscal Year Ended June 30, 2008**

|   | <u>Budgeted Amounts</u>    |                         | <u>Actual<br/>Amounts<br/>(Budgetary<br/>Basis)</u> | <u>Variance With<br/>Final Budget</u> |
|---|----------------------------|-------------------------|---|---------------------------------------|
|   | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> |   |                                       |
| <b>Charges to appropriations (outflows)</b>               |                            |                         |   |                                       |
| <b>(Continued)</b>  |                            |                         |   |                                       |
| <b>Current (continued):</b>                               |                            |                         |   |                                       |
| Instructional services (continued):                       |                            |                         |   |                                       |
| Other instructional programs (e.g., ROTC,<br>band, etc.): |                            |                         |   |                                       |
| Salaries  | \$ 686,500                 | \$ 721,500              | \$ 680,240  | \$ 41,260                             |
| Equipment   | 104,000                    | 125,900                 | 119,661   | 6,239                                 |
| Employee benefits   | 108,325                    | 141,850                 | 291,748   | (149,898)                             |
| Other expenditures  | 87,400                     | 83,240                  | 73,391  | 9,849                                 |
| Total other instructional programs                        | <u>986,225</u>             | <u>1,072,490</u>        | <u>1,165,040</u>                                    | <u>(92,550)</u>                       |
| <b>Adult/continuing education programs:</b>               |                            |                         |   |                                       |
| Salaries  | 21,749                     | 13,749                  | 15,139  | (1,390)                               |
| Materials and supplies                                    | 14,300                     | 14,300                  | 13,643  | 657                                   |
| Employee benefits   | 4,350                      | 5,440                   | 12,581  | (7,141)                               |
| Other expenditures  | 700                        | 1,070                   | 2,446   | (1,376)                               |
| Total adult/continuing education programs                 | <u>41,099</u>              | <u>34,559</u>           | <u>43,809</u>                                       | <u>(9,250)</u>                        |
| Total instructional services                              | <u>79,583,385</u>          | <u>80,100,767</u>       | <u>77,134,767</u>                                   | <u>2,966,000</u>                      |
| <b>Support services:</b>                                  |                            |                         |   |                                       |
| <b>Pupil support services:</b>                            |                            |                         |   |                                       |
| Salaries  | 2,586,848                  | 3,427,004               | 3,250,967   | 176,037                               |
| Materials and supplies                                    | 32,300                     | 55,475                  | 41,170  | 14,305                                |
| Employee benefits   | 762,700                    | 988,390                 | 1,181,690   | (193,300)                             |
| Other expenditures  | 68,100                     | 64,260                  | 63,139  | 1,121                                 |
| Total student support services                            | <u>3,449,948</u>           | <u>4,535,129</u>        | <u>4,536,966</u>                                    | <u>(1,837)</u>                        |
| <b>Instructional staff support services:</b>              |                            |                         |   |                                       |
| Salaries  | 2,697,472                  | 3,534,768               | 3,448,349   | 86,419                                |
| Materials and supplies                                    | 57,600                     | 69,310                  | 78,796  | (9,486)                               |
| Employee benefits   | 641,555                    | 1,039,793               | 1,296,290   | (256,497)                             |
| Other expenditures  | 354,850                    | 384,155                 | 189,314   | 194,841                               |
| Total instructional staff support services                | <u>3,751,477</u>           | <u>5,028,026</u>        | <u>5,012,749</u>                                    | <u>15,277</u>                         |

(Continued)

See accompanying notes to the budgetary comparison schedules.

**Ouachita Parish School Board  
Monroe, Louisiana**

**General Fund  
Budgetary Comparison Schedule (Non-GAAP Basis)**

**Fiscal Year Ended June 30, 2008**

|   | <u>Budgeted Amounts</u>    |                         | <u>Actual<br/>Amounts<br/>(Budgetary<br/>Basis)</u> | <u>Variance With<br/>Final Budget</u> |
|---|----------------------------|-------------------------|---|---------------------------------------|
|   | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> |   |                                       |
| <b>Charges to appropriations (outflows)</b> |                            |                         |   |                                       |
| <b>(Continued)</b>                          |                            |                         |   |                                       |
| <b>Current (continued):</b>                 |                            |                         |   |                                       |
| <b>Support services (continued):</b>        |                            |                         |   |                                       |
| <b>General administration:</b>              |                            |                         |   |                                       |
| Salaries                                    | \$ 267,100                 | \$ 270,533              | \$ 270,232  | \$ 301                                |
| Legal services                              | 235,000                    | 242,000                 | 247,325   | (5,325)                               |
| Audit services                              | 45,000                     | 48,500                  | 48,006  | 494                                   |
| Insurance - liability, etc.                 | 2,000                      | 173,035                 | 159,859   | 13,176                                |
| Tax assessment and collection services      | 359,200                    | 393,700                 | 417,054   | (23,354)                              |
| Employee benefits                           | 21,400                     | 44,880                  | 54,230  | (9,350)                               |
| Other expenditures                          | 255,200                    | 629,300                 | 857,511   | (228,211)                             |
| Total general administration                | <u>1,184,900</u>           | <u>1,801,848</u>        | <u>2,054,217</u>                                    | <u>(252,269)</u>                      |
| <b>School administration:</b>               |                            |                         |   |                                       |
| <b>Salaries:</b>                            |                            |                         |   |                                       |
| Principals                                  | 5,586,545                  | 5,330,920               | 5,263,937   | 66,983                                |
| School secretaries and clerks               | 1,404,000                  | 1,639,200               | 1,593,670   | 45,530                                |
| Employee benefits                           | 1,368,812                  | 1,798,945               | 2,120,168   | (321,223)                             |
| Other expenditures                          | 48,100                     | 51,000                  | 67,414  | (16,414)                              |
| Total school administration                 | <u>8,427,457</u>           | <u>8,820,065</u>        | <u>9,045,189</u>                                    | <u>(225,124)</u>                      |
| <b>Business services:</b>                   |                            |                         |   |                                       |
| <b>Salaries:</b>                            |                            |                         |   |                                       |
| Fiscal services                             | 706,400                    | 749,538                 | 751,875   | (2,337)                               |
| Purchasing services                         | 100,800                    | 103,695                 | 102,206   | 1,489                                 |
| Warehousing and distribution services       | 286,900                    | 295,500                 | 297,039   | (1,539)                               |
| Printing and graphic art services           | 211,957                    | 200,607                 | 204,687   | (4,080)                               |
| Materials and supplies                      | 198,500                    | 162,500                 | 116,382   | 46,118                                |
| Employee benefits                           | 363,900                    | 392,620                 | 470,984   | (78,364)                              |
| Other expenditures                          | 118,200                    | 626,800                 | 626,137   | 663                                   |
| Total business services                     | <u>1,986,657</u>           | <u>2,531,260</u>        | <u>2,569,310</u>                                    | <u>(38,050)</u>                       |

(Continued)

See accompanying notes to the budgetary comparison schedules.



**Ouachita Parish School Board  
Monroe, Louisiana**

**General Fund  
Budgetary Comparison Schedule (Non-GAAP Basis)**

**Fiscal Year Ended June 30, 2008**

|  | <u>Budgeted Amounts</u>    |                         | <u>Actual<br/>Amounts<br/>(Budgetary<br/>Basis)</u> | <u>Variance With<br/>Final Budget</u> |
|--|----------------------------|-------------------------|---|---------------------------------------|
|  | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> |   |                                       |
| <b>Charges to appropriations (outflows)</b>  |                            |                         |   |                                       |
| <b>(Continued)</b>                           |                            |                         |   |                                       |
| <b>Current (continued):</b>                  |                            |                         |   |                                       |
| <b>Support services (continued):</b>         |                            |                         |   |                                       |
| <b>Plant services:</b>                       |                            |                         |   |                                       |
| Salaries                                     | \$ 6,818,260               | \$ 6,286,180            | \$ 6,127,584  | \$ 158,576                            |
| Materials and supplies                       | 481,412                    | 518,466                 | 570,148   | (51,682)                              |
| Equipment                                    | 402,608                    | 370,014                 | 313,967   | 56,047                                |
| Telephone                                    | 282,300                    | 394,400                 | 482,308   | (87,908)                              |
| Utilities                                    | 4,047,290                  | 4,138,462               | 4,185,440   | (46,978)                              |
| Energy management                            | 3,500                      | 5,900                   | 7,079   | (1,179)                               |
| Insurance - property                         | 275,000                    | 225,000                 | 220,689   | 4,311                                 |
| Employee benefits                            | 1,752,945                  | 1,578,755               | 1,828,844   | (250,089)                             |
| Other expenditures                           | 457,866                    | 819,234                 | 792,036   | 27,198                                |
| <b>Total plant services</b>                  | <b>14,521,181</b>          | <b>14,336,391</b>       | <b>14,528,095</b>                                   | <b>(191,704)</b>                      |
| <b>Student transportation services:</b>      |                            |                         |   |                                       |
| <b>Salaries:</b>                             |                            |                         |   |                                       |
| Transportation supervision                   | 188,018                    | 169,141                 | 164,618   | 4,523                                 |
| Bus drivers                                  | 2,496,300                  | 2,818,900               | 2,810,797   | 8,103                                 |
| Bus aides                                    | 303,100                    | 367,075                 | 364,159   | 2,916                                 |
| Mechanics                                    | 275,000                    | 283,000                 | 282,588   | 412                                   |
| Substitute bus driver                        | 164,000                    | 186,700                 | 210,299   | (23,599)                              |
| Fleet insurance                              | 352,000                    | 150,000                 | 152,689   | (2,689)                               |
| Materials and supplies                       | 332,500                    | 315,200                 | 374,692   | (59,492)                              |
| Gasoline and diesel                          | 537,000                    | 684,700                 | 738,786   | (54,086)                              |
| Employee benefits                            | 1,326,940                  | 1,616,375               | 2,099,149   | (482,774)                             |
| Other expenditures                           | 55,450                     | 59,950                  | 49,237  | 11,713                                |
| <b>Total student transportation services</b> | <b>6,030,306</b>           | <b>6,651,041</b>        | <b>7,246,014</b>                                    | <b>(594,973)</b>                      |
| <b>Central services:</b>                     |                            |                         |   |                                       |
| Salaries                                     | 832,800                    | 1,102,487               | 1,066,605   | 35,882                                |
| Materials and supplies                       | 271,280                    | 288,235                 | 271,813   | 16,422                                |
| Equipment                                    | 535,070                    | 533,183                 | 509,077   | 24,106                                |
| Equipment maintenance                        | 50,000                     | 50,000                  | 25,367  | 24,633                                |
| Employee benefits                            | 238,070                    | 302,200                 | 365,069   | (62,869)                              |
| Other expenditures                           | 1,060,184                  | 1,010,666               | 849,332   | 161,334                               |
| <b>Total central services</b>                | <b>2,987,404</b>           | <b>3,286,771</b>        | <b>3,087,263</b>                                    | <b>199,508</b>                        |
| <b>Total support services</b>                | <b>42,339,330</b>          | <b>46,990,631</b>       | <b>48,079,803</b>                                   | <b>(1,089,172)</b>                    |

See accompanying notes to the budgetary comparison schedules.

(Continued)

**Ouachita Parish School Board  
Monroe, Louisiana**

**General Fund  
Budgetary Comparison Schedule (Non-GAAP Basis)**

**Fiscal Year Ended June 30, 2008**

|   | <b>Budgeted Amounts</b>    |                         | <b>Actual<br/>Amounts<br/>(Budgetary<br/>Basis)</b> | <b>Variance With<br/>Final Budget</b> |
|---|----------------------------|-------------------------|---|---------------------------------------|
|   | <b>Original<br/>Budget</b> | <b>Final<br/>Budget</b> |   |                                       |
| <b>Charges to appropriations (outflows)<br/>(Continued)</b> |                            |                         |   |                                       |
| <b>Current (continued):</b>                                 |                            |                         |   |                                       |
| <b>Noninstructional services:</b>                           |                            |                         |   |                                       |
| Food service operations                                     | \$ 384,080                 | \$ 510,740              | \$ 688,969  | \$ (178,229)                          |
| Community service operations                                | 16,000                     | 17,043                  | 17,043  | -                                     |
| Facility acquisition and construction                       | 1,067,000                  | 829,650                 | 841,922   | (12,272)                              |
| <b>Total noninstructional services</b>                      | <u>1,467,080</u>           | <u>1,357,433</u>        | <u>1,547,934</u>                                    | <u>(180,501)</u>                      |
| <b>Debt Service:</b>  |                            |                         |   |                                       |
| Miscellaneous   | 750                        | 2,100                   | 2,040   | 60                                    |
| <b>Total debt service</b>                                   | <u>750</u>                 | <u>2,100</u>            | <u>2,040</u>  | <u>60</u>                             |
| <b>Other financing uses:</b>                                |                            |                         |   |                                       |
| Transfers out   | 1,218,028                  | 2,647,690               | 2,196,226   | 451,464                               |
| <b>Total charges to appropriations</b>                      | <u>124,608,573</u>         | <u>131,098,621</u>      | <u>128,960,770</u>                                  | <u>2,137,851</u>                      |
| <b>Budgetary fund balance at end of year</b>                | <u>\$ 18,388,899</u>       | <u>\$ 16,883,809</u>    | <u>\$ 17,277,241</u>                                | <u>\$ 393,432</u>                     |

(Concluded)

See accompanying notes to the budgetary comparison schedules.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Special Revenue Fund -  
District #1 Sales Tax  
Budgetary Comparison Schedule (GAAP Basis)**

**Fiscal Year Ended June 30, 2008**

|  | <u>Budgeted Amounts</u>    |                         |                      |                                       |
|--|----------------------------|-------------------------|----------------------|---------------------------------------|
|  | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> | <u>Actual</u>        | <u>Variance With<br/>Final Budget</u> |
| <b>Budgetary fund balance at<br/>beginning of year</b> | <u>\$ 14,638,199</u>       | <u>\$ 14,638,199</u>    | <u>\$ 14,638,199</u> | <u>\$ -</u>                           |
| <b>Resources (inflows)</b>                             |                            |                         |                      |                                       |
| Local sources:   |                            |                         |                      |                                       |
| Sales and use taxes                                    | 5,800,000                  | 5,997,000               | 6,111,744            | 114,744                               |
| Earnings on investments                                | 590,000                    | 590,000                 | 543,371              | (46,629)                              |
| Other  | 68,000                     | -                       | -                    | -                                     |
| <b>Total local sources</b>                             | <u>6,458,000</u>           | <u>6,587,000</u>        | <u>6,655,115</u>     | <u>68,115</u>                         |
| <b>Other financing sources:</b>                        |                            |                         |                      |                                       |
| Transfer in  | -                          | 311,949                 | 250,000              | (61,949)                              |
| <b>Amounts available for appropriations</b>            | <u>21,094,199</u>          | <u>21,537,148</u>       | <u>21,543,314</u>    | <u>8,166</u>                          |
| <b>Charges to appropriations (outflows)</b>            |                            |                         |                      |                                       |
| Current:   |                            |                         |                      |                                       |
| Instructional services:                                |                            |                         |                      |                                       |
| Regular programs                                       | 1,795,339                  | 2,495,312               | 2,443,646            | 51,666                                |
| Special education programs                             | 264,500                    | 275,855                 | 275,713              | 142                                   |
| Other instructional programs                           | 502,940                    | 440,344                 | 250,961              | 189,383                               |
| Support services:                                      |                            |                         |                      |                                       |
| Pupil support services                                 | 342,860                    | 482,255                 | 478,755              | 3,500                                 |
| Instructional staff support services                   | 435,355                    | 130,583                 | 113,482              | 17,101                                |
| General administration                                 | 590                        | 590                     | 583                  | 7                                     |
| School administration                                  | 79,480                     | 83,615                  | 81,954               | 1,651                                 |
| Business services                                      | 19,030                     | 18,930                  | 18,738               | 192                                   |
| Plant services   | 1,181,335                  | 1,723,815               | 1,713,595            | 10,220                                |
| Student transportation services                        | 1,196,850                  | 1,200,910               | 1,196,560            | 4,350                                 |
| Central services                                       | 9,250                      | 10,868                  | 10,583               | 285                                   |
| Noninstructional services:                             |                            |                         |                      |                                       |
| Food service operations                                | 127,400                    | 133,100                 | 132,493              | 607                                   |
| Facility acquisition and construction                  | 5,000                      | -                       | -                    | -                                     |
| <b>Other financing uses:</b>                           |                            |                         |                      |                                       |
| Transfers out  | 3,000,000                  | 3,000,000               | -                    | 3,000,000                             |
| <b>Total charges to appropriations</b>                 | <u>8,959,929</u>           | <u>9,996,177</u>        | <u>6,717,073</u>     | <u>3,279,104</u>                      |
| <b>Budgetary fund balance<br/>at end of year</b>       | <u>\$ 12,134,270</u>       | <u>\$ 11,540,971</u>    | <u>\$ 14,826,241</u> | <u>\$ 3,285,270</u>                   |

See accompanying notes to the budgetary comparison schedules.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to Budgetary Comparison Schedules  
Fiscal Year Ended June 30, 2008**

**Budget and Budgetary Accounting**

The School Board utilizes the following procedures in establishing the budgetary data reflected in the financial statements:

In September, the Business Manager submits to the School Board proposed annual appropriated budgets for the General Fund, the Special Revenue Funds, and the Debt Service Funds for the fiscal year commencing the prior July 1. A public hearing is conducted to obtain taxpayer comments. Prior to September 15, the School Board legally enacts the budget through adoption. The only legal requirement is that the School Board adopt a balanced budget; that is, total budgeted revenues and other financing sources (including fund balance) must equal or exceed total budgeted expenditures and other financing uses. The budget is revised periodically throughout the school year, when deemed appropriate, but a balanced budget is always approved.

The General Fund budget is not adopted on a basis consistent with GAAP because encumbrances are budgeted as expenditures of the current year. Unencumbered appropriations in the General Fund lapse at the end of the fiscal year, whereas, encumbered appropriations are carried forward to the following year. Budgeted amounts are as originally adopted or as amended by the School Board.

The Special Revenue Funds' and Debt Service Funds' budgets have annual appropriated budgets adopted on a basis consistent with GAAP. Except for grant-oriented funds, unencumbered appropriations lapse at the end of the fiscal year. Encumbered appropriations are utilized when goods or services are received. Grant-oriented fund budgets are adopted at the time the grant applications are approved by the grantor. Separate annual budgets are adopted for unencumbered appropriations of grant-oriented Special Revenue Funds at the beginning of the following fiscal year.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, and Debt Service Funds. All budgets are operational at the departmental or project level. The Superintendent and Business Manager of the School Board are authorized to transfer budget amounts between line item activity and between any functions of an individual fund; however, any supplemental appropriations that amend the total expenditures of any fund require School Board resolution. The effects of budget revisions passed during the year were insignificant to the budgets as originally approved.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Notes to Budgetary Comparison Schedule (continued)  
Fiscal Year Ended June 30, 2008**

**Reconciliation of the Budgetary Basis and the GAAP Basis**

The School Board approves formal budgets for the General Fund, Special Revenue Funds, and Debt Service Funds. With the exception of the General Fund, all budgets are prepared on the GAAP basis. For financial reporting purposes, expenditures are recognized as incurred and encumbrances are not reported as resources used. Encumbrances are reported on the Fund Financial Statements' Governmental Fund Balance Sheet as a reservation of fund balance for the ensuing year's expenditures. However, for budgetary reporting purposes in the General Fund, resource uses are recognized when expenditures and encumbrances are incurred. Thus, the General Fund budget is not prepared on the GAAP basis. The following summary reconciles General Fund operations for the year from the budgetary basis to the GAAP basis of reporting.

|   |                            |
|---|----------------------------|
| <b>Revenues</b>                                     |                            |
| Revenues on budgetary basis and GAAP basis          | \$124,027,048              |
| <b>Expenditures</b>                                 |                            |
| Total charges to appropriations on budgetary basis  | (126,764,544)              |
| Encumbrances outstanding at June 30, 2008           | 19,965                     |
| <b>Other financing sources (uses)</b>               |                            |
| Proceeds from sale of assets                        | 14,826                     |
| Transfer out  | <u>(1,282,878)</u>         |
| Net change (decrease) in fund balance on GAAP basis | (3,985,583)                |
| Fund balance—June 30, 2007 on GAAP basis            | <u>21,282,789</u>          |
| Fund balance—June 30, 2008 on GAAP basis            | <u><u>\$17,297,206</u></u> |

(concluded)

## **SUPPLEMENTAL INFORMATION**

# LUFFEY, HUFFMAN, RAGSDALE & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)  
CERTIFIED PUBLIC ACCOUNTANTS

John L. Luffey, MBA, CPA (1963-2002)  
Francis I. Huffman, CPA  
Philip A. Ragsdale, CPA  
David Ray Soignier, CPA, MBA

John Herman, CPA  
Lynn Andries, CPA  
Esther Atteberry, CPA  
Sandra Harrington, CPA

## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Ouachita Parish School Board  
Monroe, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Ouachita Parish School Board (the School Board) as of and for the year ended June 30, 2008, which collectively comprise the School Board's basic financial statements and have issued our report thereon dated December 31, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the Louisiana Governmental Audit Guide, issued by the Louisiana Society of Certified Public Accountants and the Louisiana Legislative Auditor.

### *Internal Control over Financial Reporting*

In planning and performing our audit, we considered the School Board's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School Board's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School Board's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the School Board's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting

**Ouachita Parish School Board**  
**Monroe, Louisiana**

principles such that there is more than a remote likelihood that a misstatement of the School Board's financial statements that is more than inconsequential will not be prevented or detected by the School Board's internal control. We consider the deficiencies described in the accompanying Schedule of Findings and Questions Costs listed as 08-01 and 08-02 to be significant deficiencies in the internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the School Board's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider item 08-02 of the significant deficiencies described above to be material weaknesses.


*Compliance and Other Matters*

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 08-01.

We noted certain matters that we reported to management of the School Board in a separate letter dated December 31, 2008.

The School Board's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the School Board's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management of the School Board, Federal awarding agencies and pass-through entities, and other entities granting funds to the School Board and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

  
(A Professional Accounting Corporation)

December 31, 2008



# LUFFEY, HUFFMAN, RAGSDALE & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)  
CERTIFIED PUBLIC ACCOUNTANTS

John L. Luffey, MBA, CPA (1963-2002)  
Francis I. Huffman, CPA  
Phillip A. Ragsdale, CPA  
David Ray Soignier, CPA, MBA

John Herman, CPA  
Lynn Andries, CPA  
Esther Atteberry, CPA  
Sandra Harrington, CPA

## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Ouachita Parish School Board  
Monroe, Louisiana

### *Compliance*

We have audited the compliance of the Ouachita Parish School Board (the School Board) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major Federal programs for the year ended June 30, 2008. The School Board's major Federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major Federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School Board's compliance with those requirements.

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major Federal programs for the year ended June 30, 2008.

**Ouachita Parish School Board  
Monroe, Louisiana**

*Internal Control Over Compliance*

The management of the School Board is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to Federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with the requirements that could have a direct and material effect on a major Federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness on the School Board's internal control over compliance.

A control deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of noncompliance requirement of a Federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the School Board's ability to administer a Federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a Federal program that is more than inconsequential will not be prevented or detected by the School Board's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a Federal program will not be prevented or detected by the School Board's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above.

This report is intended solely for the information and use of management of the School Board, Federal awarding agencies and pass-through entities, and other entities granting funds to the School Board and the Legislative Auditor for the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Huffman, Huffman, Reynolds, & Simpson*

(A Professional Accounting Corporation)

December 31, 2008

**OUACHITA PARISH SCHOOL BOARD  
MONROE, LOUISIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2008**

| <b>FEDERAL GRANTOR/<br/>PASS-THROUGH GRANTOR/<br/>PROGRAM TITLE</b>                                      | <b>C.F.D.A.<br/>NUMBER</b> | <b>GRANT<br/>NUMBER</b> | <b>PROGRAM<br/>DISBURSEMENTS</b> |
|--|----------------------------|-------------------------|----------------------------------|
| <b>CASH FEDERAL AWARDS</b>   |                            |                         |                                  |
| <b>U.S. DEPARTMENT OF AGRICULTURE</b>  |                            |                         |                                  |
| <b>Passed through Louisiana</b>  |                            |                         |                                  |
| <b>Department of Education:</b>  |                            |                         |                                  |
| 300/301 School Breakfast Program   | 10.553                     | Not Available           | \$ 1,248,968                     |
| 300/301 National School Lunch Program  | 10.555                     | Not Available           | 3,508,290                        |
| 300/301 Summer Food Service Program for Children   | 10.559                     | Not Available           | 146,845                          |
| <b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>  |                            |                         | <b>4,904,103</b>                 |
| <b>U.S. DEPARTMENT OF DEFENSE</b>  |                            |                         |                                  |
| <b>Direct Programs:</b>  |                            |                         |                                  |
| 130 Air Force Junior Reserve Officer Training Corps  | Not Available              | LA050061                | 60,927                           |
| 130 Army Junior Reserve Officer Training Corps   | Not Available              | LA331676                | 47,770                           |
| 130 Naval Junior Reserve Officer Training Corps  | Not Available              | N4982307MJ              | 16,916                           |
| 130 Naval Junior Reserve Officer Training Corps  | Not Available              | N4982308MJ              | 47,194                           |
| 130 Naval Junior Reserve Officer Training Corps  | Not Available              | N9637707MJ              | 23,877                           |
| 130 Naval Junior Reserve Officer Training Corps  | Not Available              | N9637708MJ              | 67,619                           |
| <b>TOTAL U.S. DEPARTMENT OF DEFENSE</b>  |                            |                         | <b>264,303</b>                   |
| <b>U.S. DEPARTMENT OF JUSTICE</b>  |                            |                         |                                  |
| <b>Passed through Ouachita Parish</b>  |                            |                         |                                  |
| <b>Sheriff's Office:</b>   |                            |                         |                                  |
| 584 Public Safety Partnership and Community Policing Grants:<br>Methamphetamine Initiative (2007-08)     | 16.710                     | 2007CKWX0284            | 5,050                            |
| <b>TOTAL U.S. DEPARTMENT OF JUSTICE</b>  |                            |                         | <b>5,050</b>                     |
| <b>U. S. DEPARTMENT OF EDUCATION</b>   |                            |                         |                                  |
| <b>Direct Programs:</b>  |                            |                         |                                  |
| 645 Safe and Drug-Free Schools and Communities--National Programs:<br>Mentoring Program Grants (2007-08) | 84.184B                    | Q184B070789             | 154,002                          |
| 643 Advanced Placement Program:<br>Advanced Placement Program (2007-08)                                  | 84.330                     | S330C060138             | 518,259                          |
| <b>Passed through Louisiana</b>  |                            |                         |                                  |
| <b>Department of Education:</b>  |                            |                         |                                  |
| <b>Adult Education--State Grant Program:</b>   |                            |                         |                                  |
| 520 Adult Education--Federal Funds (2007-08)   | 84.002A                    | 280844-37               | 159,891                          |
| 540 Adult Education--Federal Funds (2006-07)   |                            | 280744-37               | 2,627                            |
| 525 Adult Education--Federal Funds (2005-06)   |                            | 280644-37               | 3,732                            |
| 522 Adult Education--Federal Supplemental--Richland (2007-08)  |                            | 280821-37               | 5,895                            |
| 521 Adult Education--Federal Supplemental--Richland DOC (2007-08)  |                            | 280844-37               | 12,008                           |
| 541 Adult Education--Federal Supplemental--Richland DOC (2006-07)  |                            | 280723-37               | 680                              |
| 557 Federal English Language/Civics Program (2006-07)  |                            | 280707-37               | 4,557                            |
| 524 Federal English Language/Civics Program (2007-08)  |                            | 280807-37               | 21,086                           |
| 556 One Stop Centers (2006-07)   |                            | 280713-37               | 807                              |
| 526 One Stop Centers (2007-08)   |                            | 280813-37               | 2,292                            |
|  |                            |                         | <b>213,575</b>                   |

**OUACHITA PARISH SCHOOL BOARD  
MONROE, LOUISIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2008**

| <b>FEDERAL GRANTOR/<br/>PASS-THROUGH GRANTOR/<br/>PROGRAM TITLE</b> |   | <b>C.F.D.A.<br/>NUMBER</b> | <b>GRANT<br/>NUMBER</b> | <b>PROGRAM<br/>DISBURSEMENTS</b> |
|---|---|----------------------------|-------------------------|----------------------------------|
| Title I Grants to Local Educational Agencies:                       |   | 84.010A                    |                         |                                  |
| 601   | Title I Part A Basic (2007-08)                    |                            | S010A070018             | 4,303,389                        |
| 631   | Title I Part A Basic-School Improvement (2006-07) |                            | 2807TA-37               | 102,847                          |
| 661   | Title I Part A Basic-School Improvement (2005-06) |                            | 2806TA-37               | 34,412                           |
| 641   | Title I Part A Basic-School Improvement (2004-05) |                            | 2805TI-37               | 16,940                           |
|   |   |                            |                         | <u>4,457,588</u>                 |
| Migrant Education--State Grant Program:                             |   | 84.011A                    |                         |                                  |
| 677   | Migrant Education Reallocation (2004-05)          |                            | 2805M1-37               | 5,927                            |
| 657   | Migrant Education Carryover (2006-07)             |                            | 2807M1-37C              | 6,345                            |
| 676   | Migrant Education (2006-07)                       |                            | 2807M1-37               | 36,857                           |
| 656   | Migrant Education (2007-08)                       |                            | 2808M1-37               | 203,443                          |
|   |   |                            |                         | <u>252,572</u>                   |
| Special Education--Grants to States:                                |   | 84.027A                    |                         |                                  |
| 534   | IDEA Support for Pre-GED/Skills Options (2005-06) |                            | 2806SO-37               | 10,549                           |
| 530   | IDEA Part B (2007-08)                             |                            | H027A070033             | 3,542,448                        |
|   |   |                            |                         | <u>3,552,997</u>                 |
| Vocational Education--Basic Grants to States:                       |   | 84.048                     |                         |                                  |
| 511   | Carl Perkins Grant-Reallocation (2006-07)         |                            | 280702-37C              | 20,053                           |
| 510   | Carl Perkins Grant (2007-08)                      |                            | 280802-37               | 195,936                          |
|   |   |                            |                         | <u>215,989</u>                   |
| Special Education--Preschool Grants:                                |   | 84.173A                    |                         |                                  |
| 532   | Preschool (2007-08)                               |                            | H173A070082             | 87,579                           |
| Safe and Drug-Free Schools and Communities--State Grants:           |   | 84.186A                    |                         |                                  |
| 604   | Title IV (2007-08)                                |                            | Q186A070019             | 89,881                           |
| Education for Homeless Children and Youth:                          |   | 84.196A                    |                         |                                  |
|   | Homeless Reallocation (2006-07)                   |                            | 2807H1-37C              | 256                              |
| 674   | Homeless (2006-07)                                |                            | 2807H1-37               | 1,474                            |
| 654   | Homeless (2007-08)                                |                            | 2808H1-37               | 78,841                           |
|   |   |                            |                         | <u>80,571</u>                    |
| Even Start-State Educational Agencies:                              |   | 84.213C                    |                         |                                  |
| 670   | Even Start (2006-07)                              |                            | 2807F1-37               | 58,446                           |
| 650   | Even Start (2007-08)                              |                            | 2808F1-37               | 822,361                          |
|   |   |                            |                         | <u>880,807</u>                   |
| State Grants for Innovative Programs:                               |   | 84.298A                    |                         |                                  |
| 605   | Title V (2007-08)                                 |                            | S298A70018              | 24,481                           |
| Education Technology State Grants:                                  |   | 84.318X                    |                         |                                  |
| 619   | Enhancing Education Through Technology (2006-07)  |                            | 280749-37C              | 9,066                            |
| 629   | Enhancing Education Through Technology (2006-07)  |                            | 280749-37               | 14,603                           |
| 609   | Enhancing Education Through Technology (2007-08)  |                            | 280849-37               | 25,821                           |
|   |   |                            |                         | <u>49,490</u>                    |

**OUACHITA PARISH SCHOOL BOARD  
MONROE, LOUISIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AS OF AND FOR THE YEAR ENDED JUNE 30, 2008**

| <b>FEDERAL GRANTOR/<br/>PASS-THROUGH GRANTOR/<br/>PROGRAM TITLE</b> |  | <b>C.F.D.A.<br/>NUMBER</b> | <b>GRANT<br/>NUMBER</b> | <b>PROGRAM<br/>DISBURSEMENTS</b> |
|---|--|----------------------------|-------------------------|----------------------------------|
| 603   | English Language Acquisition Grants:<br>Title III (2007-08)  | 84.365A                    | T365A070018             | 19,150                           |
| 612   | Mathematics and Science Partnerships:<br>Math and Science Partnerships (2007-08)   | 84.366B                    | 2808MP-37               | 10,347                           |
| 632   | Math and Science Partnerships (2005-06)  |                            | 2806MC-37               | 50,000                           |
| 821   | <b>Passed through Morehouse Parish School Board:</b><br>Math and Science Partnerships (2007-08)                                    |                            | 2807MP-34               | <u>5,591</u><br>65,938           |
| 602   | Improving Teacher Quality State Grants:<br>Title II Part A (2007-08)   | 84.367A                    | S367A070017             | 1,050,472                        |
| 592   | Hurricane Education Recovery:<br>Elementary and Secondary Education Hurrican Relief -<br>Education for Homeless Children and Youth | 84.938B                    | 2806IH-37               | 4,152                            |
| 653   | <b>Passed through Morehouse Parish School Board:</b><br>Even Start Migrant Education:<br>Migrant Education Even Start              | 84.214A                    | S214A060032             | <u>57,646</u>                    |
| <b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>                           |  |                            |                         | <u><b>11,775,149</b></u>         |
| <b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>                 |  |                            |                         |                                  |
| <b>Passed through Louisiana</b>                                     |  |                            |                         |                                  |
| <b>Department of Education:</b>                                     |  |                            |                         |                                  |
| 523   | Temporary Assistance for Needy Families:<br>Strategies to Empower People (2007-08)   | 93.558                     | 2808EP-37               | 104,765                          |
| 570   | LA-4/Starting Points Pre-Kindergarten Programs (2006-07)   |                            | 280735-37               | <u>13,836</u><br><u>118,601</u>  |
| <b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>           |  |                            |                         | <u><b>118,601</b></u>            |
| <b>TOTAL EXPENDITURES OF CASH FEDERAL AWARDS</b>                    |  |                            |                         | <b>\$ <u>17,067,206</u></b>      |
| <b>NONCASH FEDERAL AWARDS</b>                                       |  |                            |                         |                                  |
| <b>UNITED STATES DEPARTMENT OF AGRICULTURE</b>                      |  |                            |                         |                                  |
| <b>Passed Through Louisiana Department of Agriculture:</b>          |  |                            |                         |                                  |
| 300   | Food Donation (Commodities)  | 10.550                     | SCH075                  | <b>\$ <u>349,472</u></b>         |
| <b>TOTAL EXPENDITURES OF NONCASH FEDERAL AWARDS</b>                 |  |                            |                         | <u><b>349,472</b></u>            |
| <b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>                         |  |                            |                         | <b>\$ <u>17,416,678</u></b>      |

**OUACHITA PARISH SCHOOL BOARD**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2008**

**Note 1 - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes all Federal grant activity of the Ouachita Parish School Board (the School Board) for the year ended June 30, 2008 and is presented on the modified accrual basis of accounting. The modified accrual basis of accounting recognizes revenues when they become both measurable and available to pay current period liabilities and expenditures when the related liability is incurred.

**Note 2 - Relationship of the Schedule of Expenditures of Federal Awards to the Financial Statements**

The following reconciliation is provided to help the reader of the School Boards' financial statements and supplementary information relate such information to the Schedule of Expenditures of Federal Awards for the year ended June 30, 2008:

|                                       | <u>Programs</u>      | <u>Support</u>    | <u>Total</u>         |
|---------------------------------------|----------------------|-------------------|----------------------|
| Revenues:                             |                      |                   |                      |
| General Fund                          | \$ -                 | \$ 264,303        | \$ 264,303           |
| School Food Services                  | 4,904,103            | 349,472           | 5,253,575            |
| Title I                               | 5,601,081            | -                 | 5,601,081            |
| IDEA B                                | 3,640,576            | -                 | 3,640,576            |
| Other Federal                         | 2,595,775            | -                 | 2,595,775            |
| Total Governmental Funds Revenues     | <u>16,741,535</u>    | <u>613,775</u>    | <u>17,355,310</u>    |
| Less NonExpenditure revenues          | <u>13,836</u>        | <u>-</u>          | <u>13,836</u>        |
| Total Governmental Funds Expenditures | <u>16,789,067</u>    | <u>613,775</u>    | <u>17,369,146</u>    |
| Agency Fund Expenditures              | 47,532               | -                 | 47,532               |
| Total Federal Expenditures            | <u>\$ 16,802,903</u> | <u>\$ 613,775</u> | <u>\$ 17,416,678</u> |

**OUACHITA PARISH SCHOOL BOARD  
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2008**

**Section 1 – Summary of Auditor’s Results**

**Financial Statements:**

Type of Auditor’s Report Issued: Unqualified

Internal Control Over Financial Reporting:

Material Weakness(es) identified?   X   Yes       No

Significant Deficiency(s) identified not considered to be material  
weaknesses?   X   Yes       None Reported

Noncompliance material to financial statements noted?   X   Yes       No

**Federal Awards:**

Internal Control Over Major Programs:

Material weakness(es) identified?       Yes   X   No

Significant Deficiency(s) identified not considered to be material  
weakness(es)?   Yes   X   None Reported

Type of auditor’s report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with  
Circular A-133, Section 510(a)?   Yes   X   No

Dollar threshold used to distinguish between Type A and Type B programs  
\$522,500

Auditee qualified as low-risk auditee?   X   Yes       No

**Identification of Major Programs:**

| <u>CFDA #</u>          | <u>PROGRAM TITLE</u>                            |
|------------------------|---|
| 10.553, 10.555, 10.559 | Child Nutrition Cluster                         |
| 84.367A                | Title II-Improving Teacher Quality State Grants |

**OUACHITA PARISH SCHOOL BOARD  
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2008**

**Section II – Financial Statement Findings and Questioned Costs:**

**08-01: Local Budget Act**

**Finding:**

The Local Government Budget Act provides, among other things, for the amendment of the budget when actual expenditures exceed budgeted amounts by 5% or more and that a budget should not be adopted wherein budgeted expenditures exceed estimated amounts available to fund them.

In fiscal year 2008, the School Board has two special revenue funds that exceeded its budget by 5% of estimated expenditures which were not amended. The West Ouachita Sales Tax Fund had budgeted expenditures of \$948,225 and actual expenditures of \$1,024,955 resulting in a \$76,730 (8.09%) unfavorable variance. This fund ended the year with a \$3,918,347 fund balance available for future activities.

The School Food Service Fund had budgeted expenditures of \$8,553,843 and actual expenditures of \$9,234,830 resulting in a \$680,987 (7.96%) unfavorable variance. Additionally, the \$755,071 decrease in fund balance for the year added to its beginning fund deficit at July 1, 2007 of \$27,870 resulting in a \$782,941 fund deficit at June 30, 2008.

**Recommendation:**

We recommend that the School Board and the business manager (and the director of School Food Services with respect to the School Food Services Fund) continue to work together to monitor the financial position and resources of all funds to provide for sound financial planning to eliminate significant operating variances and fund deficits.

**Response:**

With respect to the School Food Service Fund budget, we recognize that the School Board had the choice between amending the budget to reflect significant increases in food costs but would end up violating another provision of the Local Budget Act by budgeting a deficit; therefore, we opted not to amend the budget.

We are in the process of evaluating School Food Service operations to find more efficient ways to manage the program. We also, increased the meal cost in 2008-09 to help offset the rising food costs.



**OUACHITA PARISH SCHOOL BOARD  
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2008**

**08-02: Reconciliation of Payroll Accounts**

**Finding:**

During the course of the audit, we noted two corrections that had to be made involving the Payroll Fund. The first involved a \$413,984 check issued for retiree health benefits in June 2008. This check was applied to a liability account instead of an expense account which resulted in a \$413,984 understatement of liabilities and expenses and an overstatement of fund balance.

The second error involved the posting of one of the three payrolls that are processed in June, expensed in June, but are issued in July and August. This procedure results in the School Board having expense accounts being properly charged for a full year's salaries in the year the expense was incurred. It also results in the School Board being able to remit the amounts due to the retirement systems in the proper accounting period resulting in the teachers correctly receiving a full year's credit. When the computer system runs the payroll, it automatically charges cash as if it has been disbursed. However, since the checks are not being released until a future month, cash has not been disbursed which results in the need for the reversal of the cash posting and a charge to the salaries payable account. Cash was correctly reversed for the 11<sup>th</sup> month payroll (released in July) and the 12<sup>th</sup> month payroll (released in August) with a corresponding liability being set up. The Summer 1 payroll's reversal was for the gross amount of the payroll, instead of the net amount which resulted in a \$537,420 understatement of cash and liabilities and no effect on fund balance.

It was also noted during this analysis that payroll liability accounts were not being reconciled which could lead to unknown errors and while many of these balances in these accounts involve relatively small, immaterial amounts the failure to have these accounts reconciled could lead to significant issues such as an employee not having coverage for a deducted premium or receiving credit in a retirement system. While most of such problems can adequately be corrected at a later date, some cannot and could leave the School Board exposed to a liability that it would not otherwise have been liable. Additionally, internal controls over the payroll process are compromised by not having a reconciliation process which provides for an edit of the payroll deductions as compared to the related disbursements.

**Recommendation:**

Given the large dollar volume involved in the payroll liability accounts which involves a large number of employees, we recommend that these accounts be reconciled on a periodic basis to ensure that it properly reflects the financial status of a point in time. These

**OUACHITA PARISH SCHOOL BOARD  
MONROE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2008**

reconciliations should take into account that differences between the expected balances and the actual balances in these accounts are investigated to determine whether these unexpected balances are due back to an employee or due to a vendor such as an insurance company, investment company or the State for retirement or health benefits.

Response:

We will implement the recommended controls to address these issues.

Section III – Federal Awards Findings and Questioned Costs:

None reported.

**OUACHITA PARISH SCHOOL BOARD  
MONROE, LOUISIANA  
SUMMARY STATUS OF PRIOR YEAR FINDINGS**

The following is a summary of the status of the prior year findings included in Luffey Huffman, & Monroe (APAC) audit report dated December 10, 2007 in connection with the audit of the financial statements of the Ouachita Parish School Board (the School Board) as of and for the year ended June 30, 2007.

**07-01 Cash and Salaries Payable**

***Finding:***

The School Board reported an additional \$6,802,062 in cash and salaries payable with respect to its 11<sup>th</sup> and 12<sup>th</sup> month payrolls which were run in June 2007 for distribution in July and August of 2007.

The Summer 1 which in prior years had been processed and issued in June had been processed in June 2007 and issued in July 2007. The entries recording this payroll were handled as if the payroll had been released resulting in cash and salaries payable being understated by \$969,688.

***Status:***

The 11<sup>th</sup> and 12<sup>th</sup> month payroll cash and salaries payable have been reported correctly in 2007-08. The Summer 1 payroll has been reported correctly as salaries payable in the 2007-08 financial statements.

**07-02 Internal Controls in the Payroll Function**

***Finding:***

The School Board did not have a compensating control whereby one of the employees in data processing had access to electronic payroll records. While this employee needed such access, there was not an independent edit check which could result in an error or irregularity occurring but not being detected.

Another situation existed whereby the Payroll Department had the ability to set up employees, receive unclaimed checks and unclaimed W-2's. The Personnel Department also sets up employees, but the information is maintained on a separate data base.

***Status:***

The data processing employee still has access to electronic payroll records. However, we are now reconciling the electronic payroll records to the accounting records by an employee that is independent of the data processing function.

The Payroll Department and Personnel Department are still able to set up employees. Because the Payroll system and Personnel system use 2 different software systems, we were not able to

**OUACHITA PARISH SCHOOL BOARD  
MONROE, LOUISIANA  
SUMMARY STATUS OF PRIOR YEAR FINDINGS**

discontinue Payroll employees from setting up employees and the system run efficiently. We are in the process of setting up compensating controls with comparison reports in which Personnel's active employee data base is compared to person's paid per the Payroll Department. Exceptions will be reconciled by the Personnel Department.

**Management Letter:**

**Documentation of Internal Control**

**Finding:**

The School Board did not have adequate documentation of internal control over financial reporting using the Committee of Sponsoring Organizations (COSO) framework so that the School Board could more easily discharge its responsibility to design and implement controls and monitor those controls for effectiveness over time.

**Status:**

We have not written formal internal control policies. We have implemented procedures to improve our internal control system, but we have not formalized them.

**Theft of School Activity Funds**

**Finding:**

The Internal Auditor should continue to closely monitor the school activity accounts which by their nature have more of a risk for errors and irregularities given that many of the transactions involve cash.

**Status:**

Our internal auditors are continuing to monitor control procedures over our school activity funds.

**Ouachita Parish School Board  
Monroe, Louisiana**

**Miscellaneous Statistical Data  
School Board Members' Compensation**

**June 30, 2008**

The schedule of compensation paid to School Board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 session of the Louisiana Legislature.

The compensation of the School Board members is included in the general administration expenditures of the General Fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, the members of the School Board received \$800 per month. Additionally, the president received \$100 per month for exercising the duties of his office.

| <u>Board Member</u>                | <u>District</u> | <u>Amount</u>           |
|------------------------------------|-----------------|-------------------------|
| Mr. Jack White, President          | A               | \$ 10,800               |
| Mr. Scott Robinson                 | B               | 9,600                   |
| Mr. A. R. "Red" Sims               | C               | 9,600                   |
| Mr. Jerry R. Hicks, Vice President | D               | 9,600                   |
| Rev. John R Russell                | E               | 9,600                   |
| Mr. Carey Walker                   | F               | 9,600                   |
| Mr. Lou St Amant (interim)         | G               | 3,600                   |
| Ms Susan Spence                    | G               | <u>6,000</u>            |
| Total                              |                 | \$ <u><u>68,400</u></u> |

# LUFFEY, HUFFMAN, RAGSDALE & SOIGNIER

(A PROFESSIONAL ACCOUNTING CORPORATION)  
CERTIFIED PUBLIC ACCOUNTANTS

John L. Luffey, MBA, CPA (1963-2002)  
Francis I. Huffman, CPA  
Philip A. Ragsdale, CPA  
David Ray Soignier, CPA, MBA

John Herman, CPA  
Lynn Andries, CPA  
Esther Atteberry, CPA  
Sandra Harrington, CPA

## MANAGEMENT LETTER

### **Ouachita Parish School Board Monroe, Louisiana**

In planning and performing our audit of the financial statements of the Ouachita Parish School Board (the School Board) for the year ended June 30, 2008, we considered its internal control structure in order to determine our auditing procedures for purposes of expressing our opinion on the financial statements and not to provide assurance on the internal control structure or overall compliance with laws and regulations.

However, during our audit we became aware of certain matters that are opportunities for strengthening internal controls and the overall environment for compliance with laws and regulations. This letter will summarize our comments and suggestions regarding those matters. This letter does not affect our report dated December 31, 2008 on the financial statements of the School Board.

### **Documentation of Internal Control**

#### ***Finding:***

Management of the School Board is charged with establishing and maintaining internal control and to assess internal control for effectiveness in design and operation. Those components are outlined in the Committee of Sponsoring Organizations of the Treadway Commission Report (commonly referred to as the COSO Report, or COSO) and consist of the Control Environment; Risk Assessment; Control Activities; Information and Communication; and Monitoring. While certain elements of the components of internal control exist and certain aspects of the control activities have been documented, the School Board does not possess adequate written documentation of all components of internal control over School Board operations.

For management and those charged with governance to properly discharge their responsibility to establish and maintain internal control, there must exist a level of documentation of internal control sufficient to allow them to assess operating effectiveness and design, not just at a point in time, but over a period of time. As circumstances change, controls should be re-evaluated for ongoing effectiveness.

**Ouachita Parish School Board**  
**Monroe, Louisiana**  
**Management Letter**  
**Page 2 of 2**

***Recommendation:***

We recommend that management of the School Board document the internal control over financial reporting using the COSO framework in order that they may more easily discharge their responsibility to design and implement controls and monitor those controls for effectiveness over time. As part of this review and documentation, the School Board should utilize the *Checklist of Best Practices in Government* prepared by the Louisiana Legislative Auditor's office.

***Management's Corrective Action Plan:***

We are in the process of documenting our internal controls over the entire accounting process, to include controls over financial reporting. When the controls have been documented, we will review the controls we currently have and make needed changes for control weaknesses. When evaluating the controls, we will take into consideration the COSO framework and the *Checklist of Best Practices in Government* prepared by the Louisiana Legislative Auditor's office.

*Huffman, Huffman, Regalado, & Squires*

(A Professional Accounting Corporation)

**December 31, 2008**

**OUACHITA PARISH SCHOOL BOARD  
MONROE, LOUISIANA**

**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES  
FOR THE YEAR ENDED JUNE 30, 2008**



**OUACHITA PARISH SCHOOL BOARD  
MONROE, LOUISIANA**

**AGREED-UPON PROCEDURES**

**JUNE 30, 2008**

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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED UPON PROCEDURES FOR THE YEAR ENDED JUNE 30, 2008

### OUACHITA PARISH SCHOOL BOARD MONROE, LOUISIANA

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Ouachita Parish School Board (the School Board) and the Legislative Auditor, State of Louisiana (collectively, the Specified Users), solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Ouachita Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE). This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the Specified Users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules required by state law and are as follows:

#### General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:
  - Total General Fund Instructional Expenditures,
  - Total General Fund Equipment Expenditures,
  - Total Local Taxation Revenue,
  - Total Local Earnings on Investment in Real Property,
  - Total State Revenue in Lieu of Taxes,
  - Nonpublic Textbook Revenue, and
  - Nonpublic Transportation Revenue.

**Ouachita Parish School Board**  
**Monroe, Louisiana**

*Education Levels of Public School Staff (Schedule 2)*

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to School Board supporting payroll records as of October 1st.
3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.
4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. We traced a random sample of 35 teachers to the individual's personnel file and determined if the individual's education level was properly classified on the schedule.

*Number and Type of Public Schools (Schedule 3)*

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555) application.

*Experience of Public Principals and Full-time Classroom Teachers (Schedule 4)*

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

*Public School Staff Data (Schedule 5)*

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 35 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.
8. We recalculated the average salaries and full-time equivalents reported in the schedule.

**Ouachita Parish School Board  
Monroe, Louisiana**

*Class Size Characteristics (Schedule 6)*

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the schedule.

*Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule 7)*

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board.

*The Graduation Exit Exam for the 21st Century (Schedule 8)*

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board.

*The iLEAP Tests (Schedule 9)*

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board.

Our twelve procedures enumerated above did not disclose any exceptions.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Specified Users, the Louisiana Department of Education and the Louisiana Legislature and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Huffman Huffman, Registrars & Engineers*

(A Professional Accounting Corporation)

**December 31, 2008**

**OUACHITA PARISH SCHOOL BOARD**  
**Monroe, Louisiana**

**Schedules Required by State Law**  
**Fiscal Year Ended June 30, 2008**

**Schedule 1 - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources**

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments in real property, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

**Schedule 2 - Education Levels of Public School Staff**

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principals with less than a Bachelor's; Bachelor's; Master's; Master's +30; Specialist in Education; and Ph. D or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**Schedule 3 - Number and Type of Public Schools**

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the AFSR.

**Schedule 4 - Experience of Public Principals and Full-time Classroom Teachers**

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the AFSR.

**Schedule 5 - Public School Staff Data**

This schedule includes average classroom teacher's salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the AFSR.

**Schedule 6 - Class Size Characteristics**

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the Legislature in the Annual School Report (ASR).

**OUACHITA PARISH SCHOOL BOARD**  
**Monroe, Louisiana**

**Schedules Required by State Law**  
**Fiscal Year Ended June 30, 2008**

**Schedule 7 - Louisiana Educational Assessment Program (LEAP) for the 21<sup>st</sup> Century**

This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

**Schedule 8 - The Graduation Exit Exam for the 21<sup>st</sup> Century**

This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

**Schedule 9 - The iLEAP Tests**

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7 and 9 for this district. The summary score reported is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. This schedule includes three years of data.

**OUACHITA PARISH SCHOOL BOARD**  
**Monroe, Louisiana**

**General Fund Instructional and Support Expenditures  
and Certain Local Revenue Sources  
Fiscal Year Ended June 30, 2008**

**General Fund Instructional and Equipment Expenditures****General Fund Instructional Expenditures:****Teacher and Student Interaction Activities:**

|  |               |            |
|--|---------------|------------|
| Classroom Teacher Salaries                       | \$ 39,497,817 |            |
| Other Instructional Staff Activities             | 1,820,285     |            |
| Employee Benefits                                | 15,494,453    |            |
| Purchased Professional and Technical Services    | 75,764        |            |
| Instructional Materials and Supplies             | 754,408       |            |
| Instructional Equipment                          | 251,600       |            |
| Total Teacher and Student Interaction Activities |               | 57,894,327 |

**Other Instructional Activities**

45,000

**Pupil Support Activities**

4,456,283

Less: Equipment for Pupil Support Activities

-

Net Pupil Support Activities

4,456,283

**Instructional Staff Services**

4,650,481

Less: Equipment for Instructional Staff Services

(8,154)

Net Instructional Staff Services

4,642,327

**School Administration:**

9,002,579

Less: Equipment for Instructional Staff Services

-

Net School Administration

9,002,579

Total General Fund Instructional Expenditures

\$ 76,040,516

**Total General Fund Equipment Expenditures**

\$ 1,266,211

**Certain Local Revenue Sources****Local Taxation Revenue:**

|  |               |
|--|---------------|
| Constitutional Ad Valorem Taxes  | 2,192,430     |
| Renewable Ad Valorem Tax   | 10,221,431    |
| Debt Service Ad Valorem Tax  | 4,439,488     |
| Up to 1% of Collections by the Sheriff<br>on Taxes Other than School Taxes | 453,566       |
| Sales and Use Taxes  | 37,052,593    |
| Total Local Taxation Revenue   | \$ 54,359,508 |

**Local Earnings on Investment in Real Property:**

|   |           |
|---|-----------|
| Earnings from 16th Section Property                 | 33,403    |
| Earnings from Other Real Property                   | -         |
| Total Local Earnings on Investment in Real Property | \$ 33,403 |

**State Revenue in Lieu of Taxes:**

|                                      |            |
|--------------------------------------|------------|
| Revenue Sharing - Constitutional Tax | 189,230    |
| Revenue Sharing - Other Taxes        | 634,907    |
| Revenue Sharing - Excess Portion     | -          |
| Other Revenue in Lieu of Taxes       | -          |
| Total State Revenue in Lieu of Taxes | \$ 824,137 |

Nonpublic Textbook Revenue

\$ 38,105

Nonpublic Transportation Revenue

\$ -

**OUACHITA PARISH SCHOOL BOARD**  
**Monroe, Louisiana**

**Education Levels of Public School Staff**  
**As of October 1, 2007**

| Category                      | Full-time Classroom Teachers |               |                |               | Principals & Assistant Principals |               |                |          |
|-------------------------------|------------------------------|---------------|----------------|---------------|-----------------------------------|---------------|----------------|----------|
|                               | Certificated                 |               | Uncertificated |               | Certificated                      |               | Uncertificated |          |
|                               | Number                       | Percent       | Number         | Percent       | Number                            | Percent       | Number         | Percent  |
| Less than a Bachelor's Degree | 3                            | 0.2%          | 2              | 14.3%         | -                                 | 0.0%          | -              | -        |
| Bachelor's Degree             | 786                          | 59.4%         | 9              | 64.3%         | -                                 | 0.0%          | -              | -        |
| Master's Degree               | 357                          | 27.0%         | 3              | 21.4%         | 26                                | 34.2%         | -              | -        |
| Master's Degree + 30          | 159                          | 12.0%         | -              | 0.0%          | 46                                | 60.5%         | -              | -        |
| Specialist in Education       | 8                            | 0.6%          | -              | 0.0%          | 2                                 | 2.6%          | -              | -        |
| Ph. D. or Ed. D.              | 11                           | 0.8%          | -              | 0.0%          | 2                                 | 2.6%          | -              | -        |
| <b>Total</b>                  | <b>1,324</b>                 | <b>100.0%</b> | <b>14</b>      | <b>100.0%</b> | <b>76</b>                         | <b>100.0%</b> | <b>-</b>       | <b>-</b> |



**Schedule 3**

**OUACHITA PARISH SCHOOL BOARD  
Monroe, Louisiana**

**Number and Type of Public Schools  
Fiscal Year Ended June 30, 2008**

| <u>Type</u>             | <u>Number</u>           |
|-------------------------|-------------------------|
| Pre K-K                 | 1                       |
| Elementary              | 20                      |
| Middle/Jr. High         | 7                       |
| Secondary               | 4                       |
| Combination             | 2                       |
| Alternative (6-12 only) | <u>1</u>                |
| <b>Total</b>            | <b><u><u>35</u></u></b> |

**OUACHITA PARISH SCHOOL BOARD**  
**Monroe, Louisiana**

**Experience of Public Principals and Full-time Classroom Teachers**  
**As of October 1, 2007**

|                      | 0-1 Yr.    | 2-3 Yrs.   | 4-10 Yrs.  | 11-14 Yrs. | 15-19 Yrs. | 20-24 Yrs. | 25+ Yrs.   | Total        |
|----------------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| Assistant Principals | -          | -          | 3          | 4          | 10         | 7          | 17         | 41           |
| Principals           | -          | -          | -          | 5          | 5          | 6          | 19         | 35           |
| Classroom Teachers   | 130        | 127        | 313        | 168        | 190        | 144        | 266        | 1,338        |
| <b>Total</b>         | <b>130</b> | <b>127</b> | <b>316</b> | <b>177</b> | <b>205</b> | <b>157</b> | <b>302</b> | <b>1,414</b> |

**OUACHITA PARISH SCHOOL BOARD**  
**Monroe, Louisiana**

**Public School Staff Data**  
**Fiscal Year Ended June 30, 2008**

|  | <u>All Classroom<br/>Teachers</u> | <u>Classroom Teachers<br/>Excluding ROTC<br/>and Rehired Retirees</u> |
|--|-----------------------------------|---|
| Average Classroom<br>Teachers' Salary<br>Including Extra Compensation                        | \$47,612                          | \$47,154  |
| Average Classroom<br>Teachers' Salary<br>Excluding Extra Compensation                        | \$46,059                          | \$45,624  |
| Number of Teacher Full-time<br>Equivalents (FTEs) used in<br>Computation of Average Salaries | 1,336                             | 1,277   |

**Note:** Figures reported include all sources of funding (i.e., federal, state, and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers and ROTC teachers receive more compensation because of a federal supplement. Therefore, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes and temporary employees.

**OUACHITA PARISH SCHOOL BOARD**  
**Monroe, Louisiana**

**Class Size Characteristics**  
**2007-2008**

| School Type                      | Class Size Range |        |         |        |         |        |         |        | Total   |        |
|----------------------------------|------------------|--------|---------|--------|---------|--------|---------|--------|---------|--------|
|                                  | 1 - 20           |        | 21 - 26 |        | 27 - 33 |        | 34+     |        |         |        |
|                                  | Percent          | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number |
| Elementary                       | 61.0%            | 2,844  | 38.4%   | 1,789  | 0.6%    | 27     | 0.0%    | -      | 100.0%  | 4,660  |
| Elementary Activity Classes      | 35.5%            | 27     | 63.2%   | 48     | 1.3%    | 1      | 0.0%    | -      | 100.0%  | 76     |
| Middle/Jr. High                  | 66.5%            | 866    | 29.3%   | 382    | 4.2%    | 55     | 0.0%    | -      | 100.0%  | 1,303  |
| Middle/Jr. High Activity Classes | 86.1%            | 315    | 10.7%   | 39     | 2.2%    | 8      | 1.1%    | 4      | 100.0%  | 366    |
| High                             | 66.4%            | 1,223  | 29.3%   | 539    | 4.2%    | 77     | 0.1%    | 2      | 100.0%  | 1,841  |
| High Activity Classes            | 88.5%            | 348    | 5.3%    | 21     | 2.5%    | 10     | 3.6%    | 14     | 100.0%  | 393    |
| Combination                      | 94.5%            | 189    | 5.5%    | 11     | 0.0%    | -      | 0.0%    | -      | 100.0%  | 200    |
| Combination Activity Classes     | 100.0%           | 10     | 0.0%    | -      | 0.0%    | -      | 0.0%    | -      | 100.0%  | 10     |
| Total                            |                  | 5,822  |         | 2,829  |         | 178    |         | 20     |         | 8,849  |

**Note:** The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

| School Type                      | Class Size Range |        |         |        |         |        |         |        | Total   |        |
|----------------------------------|------------------|--------|---------|--------|---------|--------|---------|--------|---------|--------|
|                                  | 1 - 20           |        | 21 - 26 |        | 27 - 33 |        | 34+     |        |         |        |
|                                  | Percent          | Number | Percent | Number | Percent | Number | Percent | Number | Percent | Number |
| Elementary                       | 61.0%            | 2,844  | 38.4%   | 1,789  | 0.6%    | 27     | 0.0%    | -      | 100.0%  | 4,660  |
| Middle/Jr. High                  | 66.5%            | 866    | 29.3%   | 382    | 4.2%    | 55     | 0.0%    | -      | 100.0%  | 1,303  |
| High                             | 66.4%            | 1,223  | 29.3%   | 539    | 4.2%    | 77     | 0.1%    | 2      | 100.0%  | 1,841  |
| Combination                      | 94.5%            | 189    | 5.5%    | 11     | 0.0%    | -      | 0.0%    | -      | 100.0%  | 200    |
| Total                            |                  | 5,122  |         | 2,721  |         | 159    |         | 2      |         | 8,004  |
|                                  |                  |        |         |        |         |        |         |        |         |        |
| Elementary Activity Classes      | 35.5%            | 27     | 63.2%   | 48     | 1.3%    | 1      | 0.0%    | -      | 100.0%  | 76     |
| Middle/Jr. High Activity Classes | 86.1%            | 315    | 10.7%   | 39     | 2.2%    | 8      | 1.1%    | 4      | 100.0%  | 366    |
| High Activity Classes            | 88.5%            | 348    | 5.3%    | 21     | 2.5%    | 10     | 3.6%    | 14     | 100.0%  | 393    |
| Combination Activity Classes     | 100.0%           | 10     | 0.0%    | -      | 0.0%    | -      | 0.0%    | -      | 100.0%  | 10     |
| Total                            |                  | 700    |         | 108    |         | 19     |         | 18     |         | 845    |

**OUACHITA PARISH SCHOOL BOARD**  
**Monroe, Louisiana**

**Louisiana Educational Assessment Program (LEAP) for the 21st Century**  
**Three Fiscal Years Ended June 30, 2008**

| District Achievement<br>Level Results<br>Students | English Language Arts |         |              |         |              |         | Mathematics  |         |              |         |              |         |
|---|-----------------------|---------|--------------|---------|--------------|---------|--------------|---------|--------------|---------|--------------|---------|
|   | 2008                  |         | 2007         |         | 2006         |         | 2008         |         | 2007         |         | 2006         |         |
|   | Number                | Percent | Number       | Percent | Number       | Percent | Number       | Percent | Number       | Percent | Number       | Percent |
| <b>Grade 4</b>                                    |                       |         |              |         |              |         |              |         |              |         |              |         |
| Advanced  | 87                    | 6       | 96           | 7       | 84           | 6       | 105          | 7       | 72           | 5       | 120          | 9       |
| Proficient  | 412                   | 29      | 379          | 28      | 342          | 25      | 344          | 25      | 295          | 22      | 428          | 31      |
| Basic   | 667                   | 48      | 675          | 50      | 670          | 48      | 671          | 48      | 753          | 55      | 558          | 40      |
| Approaching Basic                                 | 176                   | 13      | 160          | 12      | 178          | 13      | 204          | 15      | 177          | 13      | 181          | 13      |
| Unsatisfactory                                    | 59                    | 4       | 53           | 4       | 115          | 8       | 77           | 5       | 66           | 5       | 101          | 7       |
| <b>Total</b>                                      | <b>1,401</b>          |         | <b>1,363</b> |         | <b>1,389</b> |         | <b>1,401</b> |         | <b>1,363</b> |         | <b>1,388</b> |         |

| District Achievement<br>Level Results<br>Students | Science      |         |              |         |              |         | Social Studies |         |              |         |              |         |
|---|--------------|---------|--------------|---------|--------------|---------|----------------|---------|--------------|---------|--------------|---------|
|   | 2008         |         | 2007         |         | 2006         |         | 2008           |         | 2007         |         | 2006         |         |
|   | Number       | Percent | Number       | Percent | Number       | Percent | Number         | Percent | Number       | Percent | Number       | Percent |
| <b>Grade 8</b>                                    |              |         |              |         |              |         |                |         |              |         |              |         |
| Advanced  | 10           | 1       | 44           | 3       | 29           | 2       | 11             | 1       | 30           | 2       | 17           | 1       |
| Proficient  | 342          | 26      | 333          | 24      | 211          | 16      | 194            | 15      | 256          | 19      | 184          | 14      |
| Basic   | 526          | 40      | 580          | 42      | 569          | 44      | 681            | 51      | 683          | 50      | 659          | 51      |
| Approaching Basic                                 | 330          | 25      | 291          | 21      | 353          | 27      | 317            | 24      | 269          | 20      | 285          | 22      |
| Unsatisfactory                                    | 120          | 9       | 127          | 9       | 136          | 10      | 125            | 9       | 134          | 10      | 152          | 12      |
| <b>Total</b>                                      | <b>1,328</b> |         | <b>1,375</b> |         | <b>1,298</b> |         | <b>1,328</b>   |         | <b>1,372</b> |         | <b>1,297</b> |         |

**OUACHITA PARISH SCHOOL BOARD**  
**Monroe, Louisiana**

**The Graduation Exit Exam for the 21st Century**  
**Three Fiscal Years Ended June 30, 2008**

| District Achievement<br>Level Results | English Language Arts |         |              |         |              |         | Mathematics  |         |              |         |              |         |
|---------------------------------------|-----------------------|---------|--------------|---------|--------------|---------|--------------|---------|--------------|---------|--------------|---------|
|                                       | 2008                  |         | 2007         |         | 2006         |         | 2008         |         | 2007         |         | 2006         |         |
|                                       | Number                | Percent | Number       | Percent | Number       | Percent | Number       | Percent | Number       | Percent | Number       | Percent |
| <b>Grade 10</b>                       |                       |         |              |         |              |         |              |         |              |         |              |         |
| Advanced                              | 11                    | 1       | 19           | 2       | 11           | 1       | 151          | 13      | 115          | 9       | 132          | 11      |
| Proficient                            | 147                   | 13      | 136          | 11      | 170          | 15      | 200          | 18      | 188          | 15      | 251          | 21      |
| Basic                                 | 585                   | 52      | 625          | 51      | 653          | 56      | 438          | 39      | 581          | 48      | 474          | 40      |
| Approaching Basic                     | 234                   | 21      | 299          | 24      | 234          | 20      | 165          | 15      | 190          | 16      | 162          | 14      |
| Unsatisfactory                        | 151                   | 13      | 145          | 12      | 101          | 9       | 170          | 15      | 145          | 12      | 152          | 13      |
| <b>Total</b>                          | <b>1,128</b>          |         | <b>1,224</b> |         | <b>1,169</b> |         | <b>1,124</b> |         | <b>1,219</b> |         | <b>1,171</b> |         |

| District Achievement<br>Level Results | Science      |         |              |         |            |         | Social Studies |         |              |         |            |         |
|---------------------------------------|--------------|---------|--------------|---------|------------|---------|----------------|---------|--------------|---------|------------|---------|
|                                       | 2008         |         | 2007         |         | 2006       |         | 2008           |         | 2007         |         | 2006       |         |
|                                       | Number       | Percent | Number       | Percent | Number     | Percent | Number         | Percent | Number       | Percent | Number     | Percent |
| <b>Grade 11</b>                       |              |         |              |         |            |         |                |         |              |         |            |         |
| Advanced                              | 38           | 3       | 61           | 6       | 43         | 4       | 14             | 1       | 12           | 1       | 5          | 1       |
| Proficient                            | 185          | 17      | 221          | 21      | 146        | 15      | 112            | 10      | 160          | 15      | 90         | 9       |
| Basic                                 | 475          | 43      | 458          | 44      | 449        | 45      | 640            | 58      | 566          | 54      | 600        | 60      |
| Approaching Basic                     | 257          | 23      | 182          | 17      | 245        | 25      | 191            | 17      | 179          | 17      | 186        | 19      |
| Unsatisfactory                        | 140          | 13      | 123          | 12      | 115        | 12      | 138            | 13      | 129          | 12      | 116        | 12      |
| <b>Total</b>                          | <b>1,095</b> |         | <b>1,045</b> |         | <b>998</b> |         | <b>1,095</b>   |         | <b>1,046</b> |         | <b>997</b> |         |

**OUACHITA PARISH SCHOOL BOARD**  
**iLEAP Tests**  
**Three Fiscal Years Ended June 30, 2008**

**iLEAP Tests**

| District Achievement<br>Level Results | English Language Arts |         | Mathematics |         | Science |         | Social Studies |         |
|---------------------------------------|-----------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                                       | 2006                  |         | 2006        |         | 2006    |         | 2006           |         |
|                                       | Number                | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| <b>Grade 3</b>                        |                       |         |             |         |         |         |                |         |
| Advanced                              | 90                    | 6       | 116         | 8       | 67      | 5       | 45             | 3       |
| Mastery                               | 382                   | 26      | 365         | 25      | 273     | 19      | 326            | 23      |
| Basic                                 | 673                   | 46      | 650         | 45      | 692     | 48      | 714            | 49      |
| Approaching Basic                     | 193                   | 13      | 211         | 15      | 311     | 21      | 249            | 17      |
| Unsatisfactory                        | 110                   | 8       | 105         | 7       | 105     | 7       | 114            | 8       |
| Total                                 | 1448                  |         | 1447        |         | 1448    |         | 1448           |         |

| District Achievement<br>Level Results | English Language Arts |         | Mathematics |         | Science |         | Social Studies |         |
|---------------------------------------|-----------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                                       | 2006                  |         | 2006        |         | 2006    |         | 2006           |         |
|                                       | Number                | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| <b>Grade 5</b>                        |                       |         |             |         |         |         |                |         |
| Advanced                              | 78                    | 6       | 121         | 9       | 43      | 3       | 75             | 6       |
| Mastery                               | 319                   | 25      | 209         | 16      | 259     | 20      | 194            | 15      |
| Basic                                 | 629                   | 49      | 675         | 52      | 617     | 48      | 684            | 53      |
| Approaching Basic                     | 191                   | 15      | 168         | 13      | 294     | 23      | 218            | 17      |
| Unsatisfactory                        | 73                    | 6       | 117         | 9       | 77      | 6       | 119            | 9       |
| Total                                 | 1290                  |         | 1290        |         | 1290    |         | 1290           |         |

| District Achievement<br>Level Results | English Language Arts |         | Mathematics |         | Science |         | Social Studies |         |
|---------------------------------------|-----------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                                       | 2006                  |         | 2006        |         | 2006    |         | 2006           |         |
|                                       | Number                | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| <b>Grade 6</b>                        |                       |         |             |         |         |         |                |         |
| Advanced                              | 86                    | 6       | 65          | 5       | 46      | 3       | 101            | 7       |
| Mastery                               | 354                   | 26      | 227         | 17      | 293     | 21      | 178            | 13      |
| Basic                                 | 675                   | 49      | 748         | 55      | 593     | 43      | 658            | 48      |
| Approaching Basic                     | 182                   | 13      | 168         | 12      | 313     | 23      | 299            | 22      |
| Unsatisfactory                        | 75                    | 5       | 164         | 12      | 124     | 9       | 134            | 10      |
| Total                                 | 1372                  |         | 1372        |         | 1369    |         | 1370           |         |

| District Achievement<br>Level Results | English Language Arts |         | Mathematics |         | Science |         | Social Studies |         |
|---------------------------------------|-----------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                                       | 2006                  |         | 2006        |         | 2006    |         | 2006           |         |
|                                       | Number                | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| <b>Grade 7</b>                        |                       |         |             |         |         |         |                |         |
| Advanced                              | 128                   | 9       | 99          | 7       | 58      | 4       | 25             | 2       |
| Mastery                               | 293                   | 20      | 153         | 10      | 284     | 19      | 259            | 17      |
| Basic                                 | 684                   | 46      | 719         | 48      | 569     | 38      | 745            | 50      |
| Approaching Basic                     | 280                   | 19      | 315         | 21      | 388     | 26      | 262            | 18      |
| Unsatisfactory                        | 102                   | 7       | 199         | 13      | 186     | 13      | 192            | 13      |
| Total                                 | 1487                  |         | 1485        |         | 1485    |         | 1483           |         |

| District Achievement<br>Level Results | English Language Arts |         | Mathematics |         |
|---------------------------------------|-----------------------|---------|-------------|---------|
|                                       | 2006                  |         | 2006        |         |
|                                       | Number                | Percent | Number      | Percent |
| <b>Grade 9</b>                        |                       |         |             |         |
| Advanced                              | 41                    | 3       | 94          | 7       |
| Mastery                               | 212                   | 15      | 167         | 12      |
| Basic                                 | 749                   | 55      | 690         | 50      |
| Approaching Basic                     | 271                   | 20      | 235         | 17      |
| Unsatisfactory                        | 99                    | 7       | 184         | 13      |
| Total                                 | 1372                  |         | 1370        |         |

**OUACHITA PARISH SCHOOL BOARD**  
**ILEAP Tests**  
**Three Fiscal Years Ended June 30, 2008**

**ILEAP Tests**

| District Achievement<br>Level Results | English Language Arts |         | Mathematics |         | Science |         | Social Studies |         |
|---------------------------------------|-----------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                                       | 2007                  |         | 2007        |         | 2007    |         | 2007           |         |
|                                       | Number                | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| <b>Grade 3</b>                        |                       |         |             |         |         |         |                |         |
| Advanced                              | 91                    | 6       | 152         | 11      | 74      | 5       | 45             | 3       |
| Mastery                               | 427                   | 30      | 395         | 28      | 308     | 22      | 370            | 26      |
| Basic                                 | 651                   | 45      | 647         | 45      | 700     | 49      | 715            | 50      |
| Approaching Basic                     | 166                   | 12      | 162         | 11      | 271     | 19      | 198            | 14      |
| Unsatisfactory                        | 97                    | 7       | 77          | 5       | 79      | 6       | 104            | 7       |
| Total                                 | 1432                  |         | 1433        |         | 1432    |         | 1432           |         |

| District Achievement<br>Level Results | English Language Arts |         | Mathematics |         | Science |         | Social Studies |         |
|---------------------------------------|-----------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                                       | 2007                  |         | 2007        |         | 2007    |         | 2007           |         |
|                                       | Number                | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| <b>Grade 5</b>                        |                       |         |             |         |         |         |                |         |
| Advanced                              | 60                    | 4       | 100         | 7       | 55      | 4       | 80             | 6       |
| Mastery                               | 337                   | 25      | 223         | 16      | 316     | 23      | 290            | 21      |
| Basic                                 | 651                   | 48      | 703         | 52      | 616     | 46      | 686            | 51      |
| Approaching Basic                     | 218                   | 16      | 201         | 15      | 256     | 19      | 181            | 13      |
| Unsatisfactory                        | 85                    | 6       | 125         | 9       | 108     | 8       | 114            | 8       |
| Total                                 | 1351                  |         | 1352        |         | 1351    |         | 1351           |         |

| District Achievement<br>Level Results | English Language Arts |         | Mathematics |         | Science |         | Social Studies |         |
|---------------------------------------|-----------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                                       | 2007                  |         | 2007        |         | 2007    |         | 2007           |         |
|                                       | Number                | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| <b>Grade 6</b>                        |                       |         |             |         |         |         |                |         |
| Advanced                              | 88                    | 7       | 102         | 8       | 60      | 5       | 70             | 5       |
| Mastery                               | 320                   | 25      | 208         | 16      | 289     | 22      | 172            | 13      |
| Basic                                 | 677                   | 52      | 738         | 57      | 596     | 46      | 674            | 52      |
| Approaching Basic                     | 164                   | 13      | 142         | 11      | 271     | 21      | 256            | 20      |
| Unsatisfactory                        | 56                    | 4       | 115         | 9       | 88      | 7       | 132            | 10      |
| Total                                 | 1305                  |         | 1305        |         | 1304    |         | 1304           |         |

| District Achievement<br>Level Results | English Language Arts |         | Mathematics |         | Science |         | Social Studies |         |
|---------------------------------------|-----------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                                       | 2007                  |         | 2007        |         | 2007    |         | 2007           |         |
|                                       | Number                | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| <b>Grade 7</b>                        |                       |         |             |         |         |         |                |         |
| Advanced                              | 81                    | 6       | 95          | 7       | 54      | 4       | 25             | 2       |
| Mastery                               | 307                   | 22      | 181         | 13      | 266     | 19      | 212            | 16      |
| Basic                                 | 654                   | 48      | 700         | 51      | 587     | 43      | 713            | 52      |
| Approaching Basic                     | 238                   | 17      | 264         | 19      | 353     | 26      | 253            | 19      |
| Unsatisfactory                        | 88                    | 6       | 129         | 9       | 108     | 8       | 163            | 12      |
| Total                                 | 1368                  |         | 1369        |         | 1368    |         | 1366           |         |

| District Achievement<br>Level Results | English Language Arts |         | Mathematics |         |
|---------------------------------------|-----------------------|---------|-------------|---------|
|                                       | 2007                  |         | 2007        |         |
|                                       | Number                | Percent | Number      | Percent |
| <b>Grade 9</b>                        |                       |         |             |         |
| Advanced                              | 19                    | 1       | 89          | 7       |
| Mastery                               | 195                   | 15      | 166         | 13      |
| Basic                                 | 722                   | 55      | 613         | 47      |
| Approaching Basic                     | 262                   | 20      | 213         | 16      |
| Unsatisfactory                        | 106                   | 8       | 223         | 17      |
| Total                                 | 1304                  |         | 1304        |         |



**OUACHITA PARISH SCHOOL BOARD**  
**iLEAP Tests**  
**Three Fiscal Years Ended June 30, 2008**

**iLEAP Tests**

| District Achievement<br>Level Results | English Language Arts |         | Mathematics |         | Science |         | Social Studies |         |
|---------------------------------------|-----------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                                       | 2008                  |         | 2008        |         | 2008    |         | 2008           |         |
|                                       | Number                | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| <b>Grade 3</b>                        |                       |         |             |         |         |         |                |         |
| Advanced                              | 92                    | 6       | 94          | 6       | 76      | 5       | 61             | 4       |
| Mastery                               | 353                   | 23      | 282         | 19      | 253     | 17      | 298            | 20      |
| Basic                                 | 729                   | 48      | 730         | 48      | 717     | 48      | 768            | 51      |
| Approaching Basic                     | 237                   | 16      | 248         | 16      | 352     | 23      | 242            | 16      |
| Unsatisfactory                        | 98                    | 6       | 155         | 10      | 111     | 7       | 140            | 9       |
| Total                                 | 1509                  |         | 1509        |         | 1509    |         | 1509           |         |

| District Achievement<br>Level Results | English Language Arts |         | Mathematics |         | Science |         | Social Studies |         |
|---------------------------------------|-----------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                                       | 2008                  |         | 2008        |         | 2008    |         | 2008           |         |
|                                       | Number                | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| <b>Grade 5</b>                        |                       |         |             |         |         |         |                |         |
| Advanced                              | 67                    | 5       | 114         | 8       | 51      | 4       | 77             | 6       |
| Mastery                               | 306                   | 23      | 210         | 16      | 250     | 19      | 290            | 22      |
| Basic                                 | 669                   | 50      | 701         | 52      | 645     | 48      | 682            | 51      |
| Approaching Basic                     | 221                   | 16      | 177         | 13      | 311     | 23      | 199            | 15      |
| Unsatisfactory                        | 79                    | 6       | 140         | 10      | 85      | 6       | 94             | 7       |
| Total                                 | 1342                  |         | 1342        |         | 1342    |         | 1342           |         |

| District Achievement<br>Level Results | English Language Arts |         | Mathematics |         | Science |         | Social Studies |         |
|---------------------------------------|-----------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                                       | 2008                  |         | 2008        |         | 2008    |         | 2008           |         |
|                                       | Number                | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| <b>Grade 6</b>                        |                       |         |             |         |         |         |                |         |
| Advanced                              | 58                    | 4       | 116         | 8       | 56      | 2       | 73             | 5       |
| Mastery                               | 296                   | 21      | 207         | 15      | 270     | 20      | 204            | 15      |
| Basic                                 | 733                   | 53      | 746         | 54      | 692     | 50      | 660            | 48      |
| Approaching Basic                     | 206                   | 15      | 176         | 13      | 258     | 19      | 290            | 21      |
| Unsatisfactory                        | 89                    | 6       | 137         | 10      | 104     | 8       | 153            | 11      |
| Total                                 | 1382                  |         | 1382        |         | 1380    |         | 1380           |         |

| District Achievement<br>Level Results | English Language Arts |         | Mathematics |         | Science |         | Social Studies |         |
|---------------------------------------|-----------------------|---------|-------------|---------|---------|---------|----------------|---------|
|                                       | 2008                  |         | 2008        |         | 2008    |         | 2008           |         |
|                                       | Number                | Percent | Number      | Percent | Number  | Percent | Number         | Percent |
| <b>Grade 7</b>                        |                       |         |             |         |         |         |                |         |
| Advanced                              | 120                   | 9       | 65          | 5       | 33      | 2       | 27             | 2       |
| Mastery                               | 287                   | 21      | 153         | 11      | 240     | 18      | 174            | 13      |
| Basic                                 | 662                   | 49      | 757         | 56      | 656     | 49      | 730            | 54      |
| Approaching Basic                     | 217                   | 16      | 230         | 17      | 286     | 21      | 255            | 19      |
| Unsatisfactory                        | 60                    | 4       | 141         | 10      | 129     | 10      | 155            | 12      |
| Total                                 | 1346                  |         | 1346        |         | 1344    |         | 1341           |         |

| District Achievement<br>Level Results | English Language Arts |         | Mathematics |         |
|---------------------------------------|-----------------------|---------|-------------|---------|
|                                       | 2008                  |         | 2008        |         |
|                                       | Number                | Percent | Number      | Percent |
| <b>Grade 9</b>                        |                       |         |             |         |
| Advanced                              | 23                    | 2       | 119         | 9       |
| Mastery                               | 240                   | 18      | 157         | 15      |
| Basic                                 | 774                   | 58      | 703         | 53      |
| Approaching Basic                     | 244                   | 18      | 215         | 16      |
| Unsatisfactory                        | 49                    | 4       | 134         | 10      |
| Total                                 | 1330                  |         | 1328        |         |